

**May 1, 2007**

SUBJECT: **2007-0227** Sand Hill Property Company [Applicant] Fourth Quarter Properties XLVII (Partnership Common Name: Forum Development Group), Target Corporation, Sun Town Center Properties Corp. (Macy's), and Sunnyvale Redevelopment Agency [Property Owners]. Application for a Specific Plan Amendment and associated text amendments to Title 19 (Zoning) of the Sunnyvale Municipal Code and Downtown Specific Plan (DSP) for the addition of a new hotel with a maximum of 200 rooms and an increase in the maximum amount of allowed office square footage from 282,000 up to 322,000 in DSP Block 18. APN: 209-34-009, 010, 015, 016, 017, 018 and 209-35-001, 005, 007, 010, 011, 012.

Resolution Consider an Addendum to the previously certified Program EIR, approve an amendment to the Downtown Specific Plan, and to increase the development potential of Block 18.

Ordinance Amend Title 19.28.050, 19.28.070, and 19.28.100(b) of the Sunnyvale Municipal Code in accordance with the Specific Plan Amendment.

REPORT IN BRIEF

Existing Site Conditions Developed site including: Town Center Mall with existing department stores and associated parking, including structures, plus one other developed property.

Surrounding Land Uses

North	(across Washington) Town and Country Center, 100 Block South Murphy Avenue (retail/entertainment)
South	(across Iowa) Primarily Residential with some office and other commercial uses
East	(across Sunnyvale) Mixture of small businesses and residential
West	(across Mathilda) Office, retail, residential

Issues Appropriate intensities for the Downtown area.

Environmental Status The project location is within the boundaries of a previously certified Program Environmental Impact Report and previously adopted Mitigated Negative Declaration for the Downtown Improvement Program. An Addendum to the Program EIR has been prepared pursuant to CEQA guideline Section 15164.

Staff Recommendation Recommend approval of the Specific Plan Amendment request with conditions to the City Council.



PROJECT DATA TABLE**DSP Block 18**

	Existing DSP	Proposed Change	New DSP Proposed
Office	282,000 sf.	+40,000	322,000
Commercial	1,007,876 sf.	-0-	Same
Hotel	-0-	+200 rooms	150,000 (200 units)
Height	75 ft. (80 ft cinema)	-0-	Same

BACKGROUND

The following is a summary of the Downtown Specific Plan (DSP) approvals and modifications:

- 1990 - Downtown EIR certified and General Plan amended.
- 1993 - DSP approved.
- DSP included a hotel in the area north of Washington.
- 2003 - Revised DSP approved.
- Removed a hotel due to concerns that there was not a strong market for hotels, and other uses were seen as more important in implementing the vision. There was no opposition at the time as other uses were preferred.
- 2004 - DSP Block 18 revisions for housing and office approved at levels of intensity less than requested by applicant.
- Not all of the office square footage requested was approved.
- 2004 - SDP for Block 18 approved (except Bank of the West site).
- 2007 - New developer requests revisions to the 2003 DSP, and 2004 amendments.
- 2007 - SDP for Block 18 re-approved (except Bank of the West site).

The application was heard before the Planning Commission at their April 16, 2007 meeting. The Commission voted 6-0 to recommend approval to the City Council with six recommendations.

DISCUSSION**Description of Proposed Request**

For the purposes of this report all actions associated with the request (Downtown Specific Plan Amendment and associated text changes to Title 19 of the Sunnyvale Municipal Code (SMC)) are collectively referred to as a Specific

Plan Amendment (SPA). The proposed SPA is a legislative (policy) action that addresses intensity of development but does not include review of design details such as architecture. A subsequent application (Special Development Permit) will be required for architectural and landscape design and will be reviewed at separate public hearings.

The development proposal received from Sand Hill Property Company requests an amendment to the DSP and associated sections of Title 19 (Zoning Code) of the Sunnyvale Municipal Code. The DSP is the governing General Plan document for the subject site. The development proposal includes a new 150,000 square foot hotel (approximately sf.) with up to 200 rooms and an increase of 40,000 square feet of office space to the currently allowed 282,000 square feet. The applicant is requesting the entitlements to Block 18 at this time only, not site plan approval for the final location of the hotel and office area.

A conceptual site plan was submitted with the SPA request which shows the preliminary location of the new hotel on the northeast side of the intersection of McKinley and Murphy Avenues. The hotel would be five stories high with the lobby level, or lowest level, located on McKinley Avenue at Murphy Avenue between the ground floor retail spaces. The hotel may displace the second level retail uses currently shown on the approved plans (approximately 30,000 square feet), which could be located elsewhere on site if the hotel is approved in this location.

The conceptual site plan shows the additional office square footage located above the proposed grocery store on Mathilda Avenue immediately south of McKinley Avenue. The new square footage may be placed in two stories (2nd and 3rd levels) above the grocery store and could displace the second level retail uses currently shown on the approved plans (approximately 39,000 square feet), which could be located elsewhere on site if the office square footage is approved in this location.

The new hotel and 40,000 square feet of office, if approved through the SPA, would be in addition to the approved plans. Approval of the SPA does not allow a reduction in the total allowable retail square footage for Block 18. A revised site plan will be submitted when the Special Development Permits for architecture and landscaping are also submitted for review.

Environmental Review

As part of its Downtown Improvement Program Update June 17, 2003, the City has already analyzed the environmental effects of buildout of the Downtown Specific Plan in a Program EIR. The analysis concluded that significant and unavoidable impacts to regional air quality and the transportation system

would occur with buildout of the plan. The City Council made Findings for a Statement of Overriding Social/Economic Considerations required by the California Environmental Quality Act (CEQA) at the time of the EIR certification and approval of DSP. The adopted DSP was approved with development intensity less than the intensity levels studied by the 2003 Program EIR. See Addendum to the previously certified EIR in Attachment B for details. The following table shows the approved intensities, the development intensities remaining, and the proposed project.

Downtown Specific Plan	EIR Development Intensity Analyzed for DSP area only	Development Intensity Approved and Assigned by the 2003 DSP and 2004 SPA	Current Development Potential Remaining	Proposed Amendment
Office sf.	1,238,700	1,040,421	+198,279	+40,000
Retail sf.	1,367,300	1,367,300	-0-	-0-
Housing Units	2,191	2,009	+182	-0-
Hotel	-0-	-0-	-0-	+150,000 (200 Rooms)

This project includes an Addendum to the Program EIR demonstrating the proposed SPA is not a substantial change from the previously studied intensities and the analysis of the impacts is within the scope of the analysis of the previously certified Program EIR (Attachment B: Addendum to the Program EIR). Approval of the SPA requires consideration of the Program EIR in conjunction with the proposed Addendum and affirmation of the Statement of Overriding considerations adopted June 17, 2003.

Specific Plan Amendment

Setting: Block 18 is a centrally located 36 acre sub-district within the larger 103 acre Downtown Specific Plan area. The subject area is also located within Sunnyvale's only Redevelopment Project Area. Block 18 is generally defined as the area between Mathilda Avenue and Sunnyvale Avenue and between Washington Avenue and Iowa Avenue.

The nearby uses to the subject site range from new high-intensity five and six-story office buildings to the northwest and one-story single-family homes towards the south. Existing commercial uses also border portions of the site. The long-term land uses for the DSP area surrounding the site envision the following (Attachment C):

- Mathilda Avenue - Very-High Density Residential

- Washington Avenue - Office and Mixed-Use Residential/Commercial
- Sunnyvale Avenue - Commercial and Low-Medium Density Residential
- Iowa Avenue - Office and Low-Density Residential

Goal: The applicant cites the following reasons why the proposal is beneficial for the City to consider:

- Hotel provides support for Sunnyvale businesses and diversifies the use mixture in the Downtown.
- Additional office square footage will help to strengthen Downtown and support the nearby businesses, as well as continue to enliven the City's economic base with additional jobs.
- The combination of requests increases the financial viability of the project and tax revenues for the City.

The purpose of Block 18 within the Downtown Specific Plan is to invigorate the Downtown as a whole by becoming the commercial core's regional retail/entertainment anchor and hub of activity. Block 18 is expected to integrate the existing and future land uses of the Town & Country shopping center, Mozart Office buildings, 100 Block of Historic South Murphy Avenue, Plaza del Sol, and the Caltrain station. The vision for the DSP includes: added vitality through an infusion of new uses, redevelopment of a decaying commercial core (Town Center Mall), additional City revenue, increased connectivity, and establishment of a sense of Downtown identity that is compatible with Sunnyvale's community character.

Proposed Hotel: The applicant is proposing a new hotel with up to 200 rooms, preliminarily located at the new intersection of Murphy and McKinley Avenues. The hotel lobby will wrap the corner and will face both streets. The lobby will front on Murphy Avenue and hotel parking will be accessed from the parking structure behind the building. To better serve hotel guests, the applicant is also preliminarily proposing to add 87 underground spaces under the approved five level parking structure. These spaces will likely be secured spaces for the exclusive use of hotel guests and employees.

The current 2003 DSP does not include a hotel as part of the plan and SMC Title 19 does not list a hotel as a permitted use in Block 18. Under the 1993 DSP a hotel was approved for the north of Washington area. At the time, a hotel was envisioned as a viable and integral part of any successful downtown area. In 2003, the provision of a hotel in the DSP was removed due to a market analysis at that time demonstrated there was an over abundance of hotel space saturating the Sunnyvale market. During the course of the 2003 EIR and DSP approvals, the allowance of a hotel was removed since future projections did not demonstrate a need in the Downtown.

Market Context: Beginning in approximately 1995, improved economic conditions led to higher occupancy rates and room charges, as well as a growth in the hospitality industry. This growth peaked in Sunnyvale during fiscal year 2000-2001, when the City's Transient Occupancy Tax (TOT) revenue reached \$10.7 million. This peak was followed by a severe economic downturn that greatly reduced the City's TOT revenue. From 2002 to 2004, Sunnyvale hotels saw a significant reduction in both average occupancy rate and average room rate, and fiscal year 2003-2004 TOT revenue dropped to \$4.8 million. This decrease in TOT was directly related to the considerable downturn in the local economy and state of uncertainty surrounding the global economy. This was at the same time the City approved the current DSP and removed the allowance of a hotel.

The economic downturn is widely believed to have ended around the start of 2005. Since then, hospitality occupancy rates in the area have begun to increase, primarily for business travel Monday through Thursday, but secondarily for leisure travel Friday through Sunday. This increase is generally attributed to a rise in business travel in the area, and the bulk of Sunnyvale's TOT revenue stems from weekday business travel. The applicant believes a hotel in the Downtown area would be successful in catering to both markets.

Based on the most recent level of receipts the City is now starting to see indications of revenue growth in the hotel industry. However, the stock of Sunnyvale hotel properties is aging and is not on par with some of the hotel offerings in Santa Clara, Mountain View, and San Jose. This situation may have an impact on the growth rate of the City's TOT, which makes the addition of a new hotel in the Downtown area an important factor to consider.

Appropriateness of Location: A conceptual site plan was submitted with the SPA request which shows the new hotel could be located on the northeast side of the intersection of McKinley and Murphy Avenues. The hotel would be five stories high with the lobby level, or lowest level, located on McKinley Avenue at Murphy Avenue between the ground floor retail spaces. The hotel may displace the second level retail uses currently shown on the approved plans (approximately 30,000 square feet), which could be located elsewhere on site if the hotel is approved in this location.

The applicant has preliminarily chosen to locate the hotel at the intersection of McKinley and Murphy Avenues to help energize the eastern end of McKinley. This area was approved in 2007 with two stories of retail. While this is viable retail space, it will not create an atmosphere similar to the surrounding uses, such as the cinema, Redwood Square, Target, and Macy's. Staff and the applicant discussed the option of moving the hotel to the Mathilda side of the project so the hotel would be visible from the primary project frontage. The disadvantage to this location versus the eastern side location is the hotel

presence/vitality is no longer centrally located. One clear advantage of the eastern side location is that hotel guests will be located close to the businesses on the 100 Block of South Murphy Avenue. Hotel guests will likely patronize these businesses, particularly during the evening hours, when the restaurants and bars are in full operation.

Proposed Additional Office: The applicant is proposing an increase of 40,000 square feet of office space to the currently allowed 282,000 square feet in Block 18 of the DSP. The additional square footage is conceptually proposed to be located above the ground floor retail space in the building on Mathilda between Booker and McKinley. In 2004, the Forum Group requested an additional 100,000 square feet of office space and the City Council approved a Specific Plan Amendment for an additional 80,000 square feet. This raised the DSP Block 18 office area entitlement up to a total of 282,000 square feet, which includes the 7,000 square foot Bank of the West building. The office uses allowed in Block 18 would include administrative, professional, medical, and financial uses.

Market Context: Although current market demand is still low for large-scale office space, near-term economic prospects for office use in the region is rebounding. The DSP proposed office entitlements will help to address Sunnyvale's near-term demand for Class "A" office space. The proposed Downtown location of Class "A" space would contribute to the diversity in office types and locations within Sunnyvale. The City generally lacks newer Class "A" office space, as compared to its overabundance of older Class "C" office space in existing industrial areas. The Downtown's amenities including the Caltrain station, redeveloped Downtown, and existing Downtown, are believed to provide a strong competitive edge for both near-term and long-term prospects of leasing the proposed additional office space.

Appropriateness of Location: The additional office square footage would likely be located above the proposed grocery store on Mathilda Avenue immediately south of McKinley Avenue. The new square footage would be placed in two stories (2nd and 3rd levels) above the grocery store and may displace the second level retail uses currently shown on the 2007 approved plans (approximately 39,000 square feet), which could be located elsewhere on site if the office square footage is approved in this location.

During the 2003 DSP approval process, there was significant discussion about suitability and intensity of development along Mathilda Avenue. The original vision was a continuation of office development, similar to the Mozart office buildings, along the entire frontage of Mathilda Avenue. After consideration of public input, a reduction in height was recommended along Mathilda Avenue. The final City Council approval for Block 18 reduced the 2002 Design Plan

office recommendations from 100 feet to 75 feet and lowered the intensity from 308,000 square feet to 202,000 square feet.

Mass and Scale: While the proposed project is within the maximum height limits prescribed in Block 18 of the DSP, the proposed SPA, if approved, will create a higher project overall due to the increase in entitlements. The proposed office area will be more consistent with the intent of the DSP in terms of creating a mid-rise office corridor or Mathilda gateway entrance to the Downtown area. The proposal may also help the transition from the Mozart buildings (106 feet high – to the top of the mechanical screening), through the approved Town Center office buildings (75 feet high – excluding mechanical screening), through the future office building allowed in Block 13 (50 feet high), down to the future buildings in Block 20 (40 feet high). Without the third level of office space, this portion of the Mathilda corridor will have an awkward juxtaposition with the adjacent uses (existing/proposed) in Blocks 1 and 13.

The proposed hotel, while consistent with DSP intensities, could have a more significant impact on the adjacent uses across Sunnyvale Avenue. These uses include: financial institution, parking lot (City owned), and mixed use senior housing with retail/office space on the ground floor (Plaza de Las Flores). The approved cinema across McKinley is proposed be by 63 feet high and retail uses surrounding Redwood Square are proposed at approximately 30 feet.

Considering the existing height limits under the DSP and the adjacent land use intensities, the proposed scale of development would be consistent with the intended character of Block 18 and the DSP. The following table compares land use, height, FAR, and density (General Plan level community character elements), for seven similar downtown blocks.

Comparison to Adjacent DSP Sub-Districts

Location	Use	Max. Height	FAR Estimate at Buildout	Density (units/acre)
Block 1 (Mozart)	Office/retail	100	285% (existing)	N/A
Block 1a (Town & Country)	Residential/Retail	85 ft.	125-200%	78
Block 2 (Murphy)	Retail/Office	36 ft.	89%	N/A
Block 7	Retail/Residential	50 ft.	109% (existing)	28
Block 13 (Mathilda only, 2/3 of block)	Office/Retail Only	50 ft. Mathilda 30 ft. Taaffe	240%	N/A
Block 15 and 16 combined	Very High Density Residential	50 ft. Mathilda 30 ft. Charles	180%	56
Block 18 (Existing)	Mixed Use	75 ft. 80 cinema	110%	N/A

If the SDP request were approved, the Floor Area Ratio for Block 18 would rise from approximately 110% up to 123%.

Community Character: The DSP describes Downtown Sunnyvale as an enhanced traditional downtown with appropriately scaled uses and character for a medium-sized city. The proposed office square footage and hotel could be viewed as contributing to this enhancement of downtown and its sense of place and identity. Alternatively, the community may find that sufficient uses already exists in this area and that additional development is not needed to create or enhance character. The exact community character for Block 18 will be primarily determined through the architecture and landscaping SDP review process.

Jobs/Housing Balance: As stated in the 2003 Downtown EIR, the Downtown area as a whole would result in a slight overall decrease in the projected citywide year 2020 jobs/housing ratio from 2.61 to 2.59. At buildout the Downtown would not be balanced in terms of jobs to housing, with housing outpacing jobs. The proposed additional 40,000 square feet of office space would create approximately 120 jobs and the hotel approximately 33 jobs. The affect on the cities current jobs/housing ratio would be imperceptible.

Fiscal Impact

The project is located within the Sunnyvale Central Core Redevelopment Project area. Property Tax Increment associated with redevelopment of the site

goes to the Sunnyvale Downtown Redevelopment Agency (RDA) to be used for appropriate public investment in revitalizing the Downtown area. The 2007 project was expected to result in an estimated \$4.05 million of annual Property Tax Increment to the RDA.

The proposed SPA would result in a further increase in both property tax revenue (office square footage) and hotel TOT after the land uses are built. The property tax increase is estimated at \$80,000 per year. Block 18 is within a Redevelopment Project Area, which means all of the incremental property tax revenue gains would flow to the RDA through the year 2025. Beginning in year 2026, the City would receive a 13% share of the property tax collected. The revenue directed to the RDA through 2025 benefits the City through its reinvestment within the Redevelopment Area. The hotel TOT increase is estimated at \$744,600 per year. All TOT revenue would go directly into the City's General Fund, not to the RDA.

Public Contact

Planning Commission Hearing: The application was heard before the Planning Commission at their April 16, 2007 meeting. At the hearing, the Commission discussed issues related to the Specific Plan Amendment, including: placement of the hotel and office uses, possible loss of retail in the overall project, effect on Bank of the West site, and TOT tax usage. The Commission, on a 6-0 vote, recommended approval of the application with additional recommendations to the Council. In their motion the Commission included the following recommendations (See the Draft Planning Commission Minutes in Attachment G for details):

1. Include the new uses in the Transportation Demand Management (TDM) program for the project.
2. Consider designing the new office signage on Mathilda Avenue as useful/interesting signage.
3. In the future, if the City adopts a new program where TOT revenues (in whole or part) are applied to a citywide hotel marketing program, the Town Center hotel owner will be a member and participate in the hospitality association who oversees and distributes these TOT revenues.
4. There should be no further increase in height of buildings in the Town Center project.
5. There should not be an overall reduction in retail square footage on the ground floor for the Town Center project relative to the 2007 approved plans.
6. The setbacks for the Sunnyvale Avenue side of the hotel should be reviewed for compatibility with adjacent uses across Sunnyvale Avenue.

The additional recommendations from the Planning Commission are for project specific direction to staff and the applicant when the amended site plan is submitted. The recommendations are not suggested policy additions or changes to the Downtown Specific Plan. The recommendations will be studied by staff during the review of the application for the amended site plan and can be incorporated as site plan changes or conditions of approval at that time.

Notice of Public Hearing	Staff Report	Agenda
<ul style="list-style-type: none"> Published in the <i>Sun</i> newspaper Posted on the site 1,350 notices mailed to the property owners and residents within expanded 500 ft. of the <u>Downtown Specific Plan Boundary</u> 	<ul style="list-style-type: none"> Posted on the City of Sunnyvale's Website Provided at the Reference Section of the City of Sunnyvale's Public Library 	<ul style="list-style-type: none"> Posted on the City's official notice bulletin board City of Sunnyvale's Website

General Plan Goals: General Plan Goals are located in Attachment A.

Alternatives

1. Approve a Resolution to amend the Downtown Specific Plan for Block 18 and introduce an ordinance to increase the intensity of Block 18 by an additional 40,000 square feet of office and a new hotel with up to 200 rooms.
2. Approve a Resolution to amend the Downtown Specific Plan for Block 18 and introduce ordinance with modified intensity for additional office square footage and/or new hotel, as determined to be appropriate for Block 18.
3. Deny the request for additional development intensity within Block 18.

Recommendation

The Planning Commission, at their April 16, 2007 meeting, recommended that the City Council accept Alternative 1.

Staff concurs with the Planning Commission action and recommends Alternative 1. Approve a Resolution to amend the Downtown Specific Plan for Block 18 and introduce an ordinance to increase the intensity of Block 18 by an additional 40,000 square feet of office and a new hotel with up to 200 rooms.

Staff believes the addition of the hotel, while not included in the 2003 DSP, could have many beneficial impacts for the approved redevelopment project as well as the greater Downtown area. In particular, a hotel would create additional activity/vitality in the Downtown, bring additional revenue to existing/new Downtown businesses, and bring additional revenue to the City in the form of TOT. Staff is recommending up to a maximum of 200 rooms to provide flexibility as the hotel is designed and located within the plans.

Similar to the addition of a hotel, staff believes the additional office square footage could have beneficial impacts for the Downtown area including additional business revenue, employees in the Downtown core area, and jobs. Staff believes the additional office levels, if placed along Mathilda, will have a positive effect on the Mathilda Avenue office corridor which is the gateway to the Downtown area.

Reviewed by:

Robert Paternoster
Director of Community Development

Reviewed by: Trudi Ryan, Planning Officer
Prepared by: Steve Lynch, Project Planner

Approved by:

Amy Chan
City Manager

Attachments:

- A. General Plan Goals and Policies
- B. Addendum to the 2003 Program EIR
- C. Downtown Specific Plan Sub-District Heights
- D. Draft Resolution to Amend the 2003 Downtown Specific Plan
- E. Draft Ordinance to Amend Sunnyvale Municipal Code
- F. Site Plans
- G. Draft Planning Commission minutes of April 16, 2007

General Plan Goals and Policies

Downtown Specific Plan

Goal 2: Establish the downtown as the cultural, retail, financial and entertainment center of the community, complemented by employment, housing and transit opportunities.

Land Use and Transportation Element

Goal C4: Sustain a strong local economy that contributes fiscal support for desired city services and provides a mix of jobs and commercial opportunities.

Policy N1.2 Require new development to be compatible with the neighborhood, adjacent land uses and the transportation system.

Action Statement N1.2.3: Develop specific area plans to guide change in neighborhoods that need special attention.

Policy N1.13.2 Support convenient neighborhood commercial services that reduce automobile dependency and contribute positively to neighborhood character.

Action Statement N1.1.3: Use density to transition between land use, and to buffer between sensitive uses and less compatible uses.

Housing and Community Revitalization Sub-Element

Goal A: Foster the expansion of the housing supply to provide greater opportunities for current and future residents within limits imposed by environmental, social, fiscal and land use constraints.

Policy A.1 Continue to improve, if feasible, the existing jobs to housing ratio.

Policy A.3 Continue to permit and encourage a residential mix with jobs producing land use, as long as there is neighborhood compatibility and no environmental constraints.

Socio-Economic Element

Economy and Employment GOAL 5.1B: Maintain and establish policies that promote a strong economy which provides economic opportunities

for all Sunnyvale residents within existing environmental, social, fiscal and land use constraints.

Policy 5.1B.4 Participate in regional efforts to respond to transportation and housing problems caused by economic growth in order to improve the quality of life and create a better environment for business to flourish.

GOAL 5.1C: Endeavor to maintain a balanced economic base that can resist downturns of any one economic sector.

Policy 5.1C.1 Support efforts to establish Sunnyvale's Downtown area as a strong commercial center for the City.

Policy 5.1C.4 Promote business opportunities and business retention in Sunnyvale.

Policy 5.1C.5 Support land use policies that provide a diversified mix of commercial/industrial development.

Fiscal Sub-Element

GOAL 7.A: Maintain and enhance the City's revenue base.

GOAL 7.1A.1: Revenue base: Maintain a diverse and stable revenue base for the City.



**CITY OF SUNNYVALE
DEPARTMENT OF COMMUNITY DEVELOPMENT
PLANNING DIVISION**

ATTACHMENT B

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**Addendum to the Program Environmental Impact Report for the 2003
Sunnyvale Downtown Improvement Program Update, certified by the
Sunnyvale City Council on June 17, 2003, by Resolution number 123-03.**

- 1. Project Title:** Town Center Redevelopment Project
- 2. Project Number:** 2007-0227
- 3. Lead Agency Name and Address:** City of Sunnyvale
Community Development Department
Planning Division
- 4. Contact Person and Phone Number:** Steve Lynch, Project Planner
408-730-2723
- 5. Project Location:** 2502 Town Center Lane, Sunnyvale, CA
- 6. Project Sponsor's Name and Address:** Sand Hill Property Company
489 S. El Camino Real
San Mateo, CA 94402

1.0 INTRODUCTION

The City of Sunnyvale has been pursuing redevelopment of the existing Town Center Mall site for the past several years and has adopted the Downtown Improvement Program with the goal of revitalizing this portion of the City's central core. On June 17, 2003, the City Council adopted amendments to the City of Sunnyvale General Plan as part of an effort to update the Downtown Improvement Program. The amendments to the General Plan designated specific entitlements for blocks in the downtown core, including land uses, densities, and building heights. The City subsequently amended its Downtown Specific Plan (DSP) and Title 19 (Zoning Code) to set further guidelines and standards for future downtown developments. The environmental effects of these actions were analyzed in a Downtown Improvement Program Update Final EIR (Program EIR) for the Sunnyvale Downtown Improvement Program Update, which was certified by the City Council on June 17, 2003

(Resolution No 123-03). In 2004 and again in 2007, the City Council approved development projects for Block 18 of Sunnyvale's Downtown area under the same development intensities allowed by the DSP.

2.0 SUMMARY

A Specific Plan Amendment proposal for the Town Center Redevelopment Project is now being considered that would modify the maximum development entitlements allowed for Block 18 in the DSP area. This proposal includes a new hotel with up to 200 rooms and an increase of 40,000 square feet of office space. Since the changes proposed are within the scope of the overall project analyzed by the 2003 Program EIR, no additional environmental documentation is required for this project. This Addendum has been prepared to address the development proposal pursuant to California Environmental Quality Act ("CEQA") Guideline 15164.

3.0 PROJECT DESCRIPTION

The Specific Plan Amendment proposal received from Sand Hill Property Company requests an amendment to the DSP and associated sections of Title 19 (Zoning Code) of the Sunnyvale Municipal Code. The DSP is the governing General Plan document for the subject site. The development proposal includes a new 150,000 square foot hotel with up to 200 rooms and an increase of 40,000 square feet of office space to the currently allowed 282,000 square feet. A conceptual site plan was submitted with the Specific Plan Amendment request which shows the new hotel would be located on the northeast side of the intersection of McKinley and Murphy Avenues. The hotel would be five stories high with the lobby level, or lowest level, located on McKinley or Murphy between the ground floor retail spaces. The hotel would displace the second level retail uses currently shown on the approved plans (approximately 30,000 square feet), which could be located elsewhere on site if the hotel is approved in this location.

The additional office square footage would be located above the proposed grocery store on Mathilda Avenue immediately south of McKinley Avenue. The new square footage would be placed in two stories (2nd and 3rd levels) above the grocery store and would displace the second level retail uses currently shown on the approved plans (approximately 39,000 square feet), which could be located elsewhere on site if the office square footage is approved in this location.

The new hotel and 40,000 square feet of office would be in addition to the approved plans and would not reduce the total allowable retail square footage for Block 18.

4.0 Background

The following section provides background information on both the Program EIR and the DSP.

4.1 Program EIR 2003

The Downtown Improvement Program Update Final EIR was adopted as part of the Downtown Improvement Program Update in 2003. The Program EIR considered the impacts of development for buildout of the Downtown area, including the types and maximum intensity of uses for Block 18. The effects of buildout are discussed in terms of cumulative impacts of development and include such issues as traffic volume, cultural resources, and air quality. The Program EIR includes mitigation measures that address the potentially significant impacts identified in the EIR analysis and are applicable to all future development in the Downtown area. The EIR was prepared as a Program EIR to address the potential environmentally significant effects of the development undertaken as part of the downtown initiatives and to act as the primary CEQA analysis document for project specific development actions utilizing the "tiering" concept of environmental analysis. The Program EIR was certified by the City Council on June 17, 2003.

In July 2004, an Addendum to the Program EIR was adopted for Downtown Specific Plan changes proposed as part of the 2004 Forum Group (Fourth Quarter Properties) project approval. The addendum tiered from the original 2003 Program EIR. Through a Mitigated Negative Declaration (MND), a supplement to the 2003 Program EIR was also prepared in conjunction with the 2004 Forum Group's Special Development Permit project. In August 2004, the MND was adopted and the project approved.

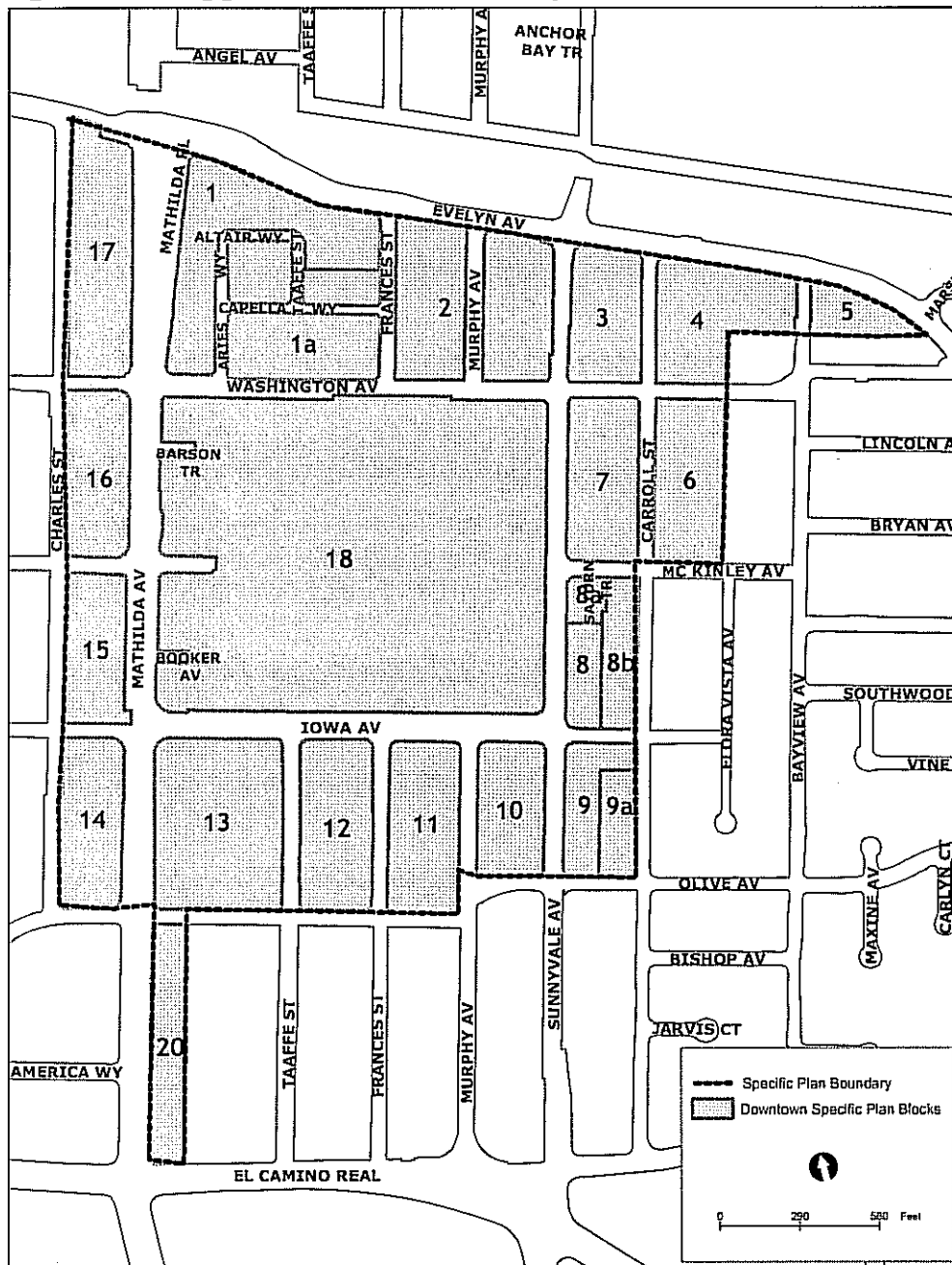
The Program EIR did not address project specific impacts for a particular development proposal because the variety of site-specific configurations available within the maximum limits identified for the Downtown area would have been speculative if addressed in the EIR. Issues addressed in the 2004 MND included project specific impacts including the proposed on-site circulation pattern, parking, land use pattern, public utility capacity, aesthetics, and preservation of Heritage Resources (six redwood trees). In addition to the applicable EIR Mitigation Monitoring and Reporting Program, two additional specific mitigation measures were incorporated into the 2004 MND to address tree preservation measures for the six redwoods and the provision of a traffic signal at the reconfigured intersection of Murphy and Washington Avenues.

A complete discussion of the background and actions related to the Downtown Improvement Program is contained within the EIR for the 2003 Downtown Improvement Program Update (State Clearinghouse ID#: 1988110816).

4.2 Downtown Specific Plan

In addition to the City Council's certification of the Program EIR in 2003, the Council also amended the 1993 DSP by designating the intensity of uses throughout the Downtown area. The DSP area is a 103 acre area within the greater Downtown 150 acre area. The Council approved the 2003 DSP and associated zoning code amendments on October 14, 2003. The Redevelopment Agency approved amendments to the Redevelopment Plan on November 11, 2003.

Figure 4.2: Approved DSP Boundary and Blocks



The 103 acre DSP project area is further divided into smaller planning units described as "blocks" and "sub-blocks." Although each block was assigned maximum development intensities, the analysis of impacts and subsequent mitigation measures is based on the allowable development for the entire DSP area.

5.0 COMPLIANCE WITH CEQA

The California Environmental Quality Act (CEQA) provides an opportunity to streamline subsequent project environmental reviews, following the certification of a Final EIR. The subsequent environmental reviews may include project additions, corrections, and/or changes through a variety of document types, dependent on the degree of change proposed by the subsequent project and the potential for significant, different, or more severe effects on the environment. CEQA section 15162 states that when a Final EIR has been certified, no subsequent EIR shall be prepared for that project unless the lead agency determines, on the basis of substantial evidence in the light of the whole record, that one or more of the following has occurred:

- (1) Substantial changes are proposed in the project which will require major revisions of the previous EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or
- (2) Substantial changes occur with respect to the circumstances under which the project is undertaken which will require major revisions of the previous EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or
- (3) New information of substantial importance related to significant impacts, severity of significant impacts, or mitigation measures; which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified as complete.

None of the above situations can be attributed to the proposed Specific Plan Amendment since the proposed amendment is not a substantial change from the previous Program EIR and there is no new information related to significant impacts.

5.1 Addendum to Previously Certified EIR

CEQA guideline 15164 permits preparation of an addendum to address necessary additions/changes to the EIR for consistency with the proposed Specific Plan Amendment. Because the current proposal does not increase development intensities beyond the levels studied by the 2003 Program EIR (examined in 6.0 Project Impact Analysis below), no additional significant impacts are anticipated, nor are significant impacts expected to increase. Although no changes to significant

impacts were identified, the existing significant and unavoidable impacts to cumulative regional air quality and traffic and transportation still remain and require a statement of overriding consideration in conjunction with approval of the Specific Plan Amendment.

5.2 Scope of the Addendum

The focus of this Addendum is a comparative analysis of the preferred project studied in the 2003 Program EIR for the Downtown Improvement Program Update and its relationship to the 2003 DSP, the 2004 DSP Amendment, and the subject Specific Plan Amendment request. This Addendum addresses the following potential project issues:

1. Development intensities studied by the Program EIR. (Section 6.1)
2. Development potential remaining in the Downtown area. (Section 6.2)
3. Analysis of project buildout. (Section 6.3)
4. Analysis of trip generation. (Section 6.4)
5. Analysis of potential height impacts. (Section 6.5)
6. Analysis of potential impacts to schools (Section 6.6)

The proposed changes to the DSP and Title 19 of Sunnyvale's Municipal Code are discretionary actions and may or may not be approved, pending public testimony and the deliberations of the City Council.

6.0 PROJECT IMPACT ANALYSIS

6.1 Development Intensities Analyzed Under the 2003 Program EIR

The Program EIR evaluated an overall planning area of 150 acres which included a sub-area of 103 acres for the DSP area. The remaining 47 acres were studied but not included within this DSP planning area. The following Table 6.1 is a summary of EIR intensities studied.

Table 6.1: EIR Maximum Development Intensities Studied

Downtown Improvement Program Update	EIR Total Square Footage or Units (150 acres)	EIR DSP area (Maximum Intensity) (only 103 acres)
Acres	150	103
Housing Units	2,520	2,191
Commercial/Retail	1,447,550 sf.	1,367,300
Office	1,272,190 sf.	1,238,700
Public Facility	12,240 sf.	-0-

6.2 Development Potential Remaining Under the 2003 Program EIR

When the City Council considered the DSP in 2003, it approved reduced development intensities than analyzed for the Downtown area under the preferred project of the Program EIR. All development that was analyzed in the EIR was included in the mitigation measures, even though all of the development potential was not adopted as part of the Downtown Specific Plan approvals. As part of the General Plan/Specific Plan amendment consideration in July 2004, there were a number of corrections that were made to the Permitted Land Use table (densities and residential units were correlated), which decreased the maximum allowable residential units in the DSP by 82. The Council then approved 92 additional units for Block 18, resulting in a net increase of 10 units in the Downtown. (Table 6.2)

Table 6.2: EIR DSP Max. Intensities Studied vs. DSP Approved Intensities

Downtown Specific Plan Area	EIR (Maximum Intensity)	Approved Intensity (June 17, 2003 + July 2004)	Difference between EIR and DSP
Acres	103	103	-0-
Housing Units	2,191	2,009	<182>
Commercial/Retail	1,367,300	1,367,300	-0-
Office	1,238,700	1,040,421	<198,279>

6.3 Analysis of Project Buildout

The following analysis in Table 6.3 outlines the currently proposed Specific Plan Amendment (2007) versus the development potential currently remaining. The results show that the proposed amendment will not exceed the maximum development intensities studies under the 2003 Program EIR with the new hotel substituting for previously reviewed office square footage as discussed below. The results show that 8,279 square feet of office and 182 housing units will remain in addition to the proposed amendment (2007).

Table 6.3: Future Development Intensities Remaining

Downtown Specific Plan Area	Potential Development Remaining under EIR	Proposed Amendment	Future Development Potential Remaining
Acres	-0-	-0-	-0-
Housing Units	182	-0-	+182
Commercial/Retail	-0-	-0-	-0-
Office	198,279	40,000	+8,279
Hotel Rooms	-0-	150,000 (200 Rooms)	

6.4 Analysis of Trip Generation

The following section provides a quantitative overview of the potential impacts resulting from modifications to the proposed project's trip generation.

As shown in the previous analysis, there is a development potential of intensities studied by the EIR but unassigned by the DSP or subsequent amendments. Similarly, these intensities equate to trip generation rates that were studied by the EIR but not adopted for the DSP. The following Table 6.4a shows the daily trip generation rates with the proposed Specific Plan Amendment modification. Although a hotel was not specifically studied under the EIR, the trip generation rate is similar to the trip rate of the studied office square footage. The result is that the project's total daily trip generation totals are within the total trips analyzed under the EIR.

Table 6.4a: Trip Generation Analysis (Daily Total)

Use	Rate	Potential Development Remaining under the EIR	Proposed Amendment	Difference in Daily Trips
Housing Units	5.57/ unit	1,068	-0-	
Office sf.	11.01/ 1000 sf.	2,183	440	
Hotel	8.17/ room	-0-	1,634	
Daily Trip Total		3,251	<2,074>	
				+1,177

Table 6.4b shows a similar analysis with the trip generation rates for AM and PM peak hour traffic periods.

Table 6.4b: Trip Generation Analysis (AM/PM Rates)

Use	Rate		Potential Development Remaining under the EIR		Proposed Amendment		Difference in PM Trips
	AM	PM	AM	PM	AM	PM	
Housing Units	.45	.55	82	100	-	-	+100
Office sf.	1.55	1.49	307	295	62	60	+235
Hotel	.56	.59	-	-	112	118	<118>
PM Totals			+395		<178>		+217

6.5 Analysis of Height Impact

Throughout the 2003 DSP planning process, public input included concerns about overall building heights and project intensities that were proposed as part of the preferred project. In response to those concerns, a combination of staff recommendations and City Council decisions resulted in reduced building heights in the approved plan of 2003. Blocks 13, 18, and 20 were lowered in maximum height from 100 feet to 50 feet. Block 18 was an exception, with its height lowered from 100 feet to 75 feet.

The proposed Specific Plan Amendment included two levels of office on the second and third levels along Mathilda Avenue, as well as a five story hotel at the intersection of McKinley and Murphy Avenue. This proposed amendment is within the scope of the overall analysis for the 2003 Program EIR and the DSP approval for the Block 18 location, since no change in the permitted maximum height of 75 feet or five stories is proposed as part of this project. Additionally, the amendment is in harmony with the Program EIR in locating office development along the Mathilda Avenue office corridor.

6.6 Analysis of Schools Impact

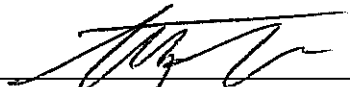
Since the proposed office square footage and new hotel are not residential uses, they will not have a student generation rate associated with their uses. The Specific Plan Amendment therefore will not have an impact on the local schools as a result of the project.

7.0 SUMMARY OF IMPACTS

As the above analysis demonstrates, the proposed Specific Plan Amendment modifications to the approved 2003 DSP, are within the maximum entitlements allowed by the 2003 Program EIR and subsequent 2004 MND. The level of impacts and the resulting intensity of development would in fact continue to be less than those analyzed in the 2003 Program EIR. Therefore the proposed Specific Plan Amendment is not a substantial change from the previously studied intensities and the analysis of the impacts is within the certified Program EIR. In addition, the conclusions on the severity of those impacts, requires no additional analysis to address the Specific Plan Amendment. Finally, the environmental setting of the Program EIR has not changed since the EIR's certification and no new information has been presented that would affect the determination of an environmental effect as significant, or increase the severity of a known environmental effect.

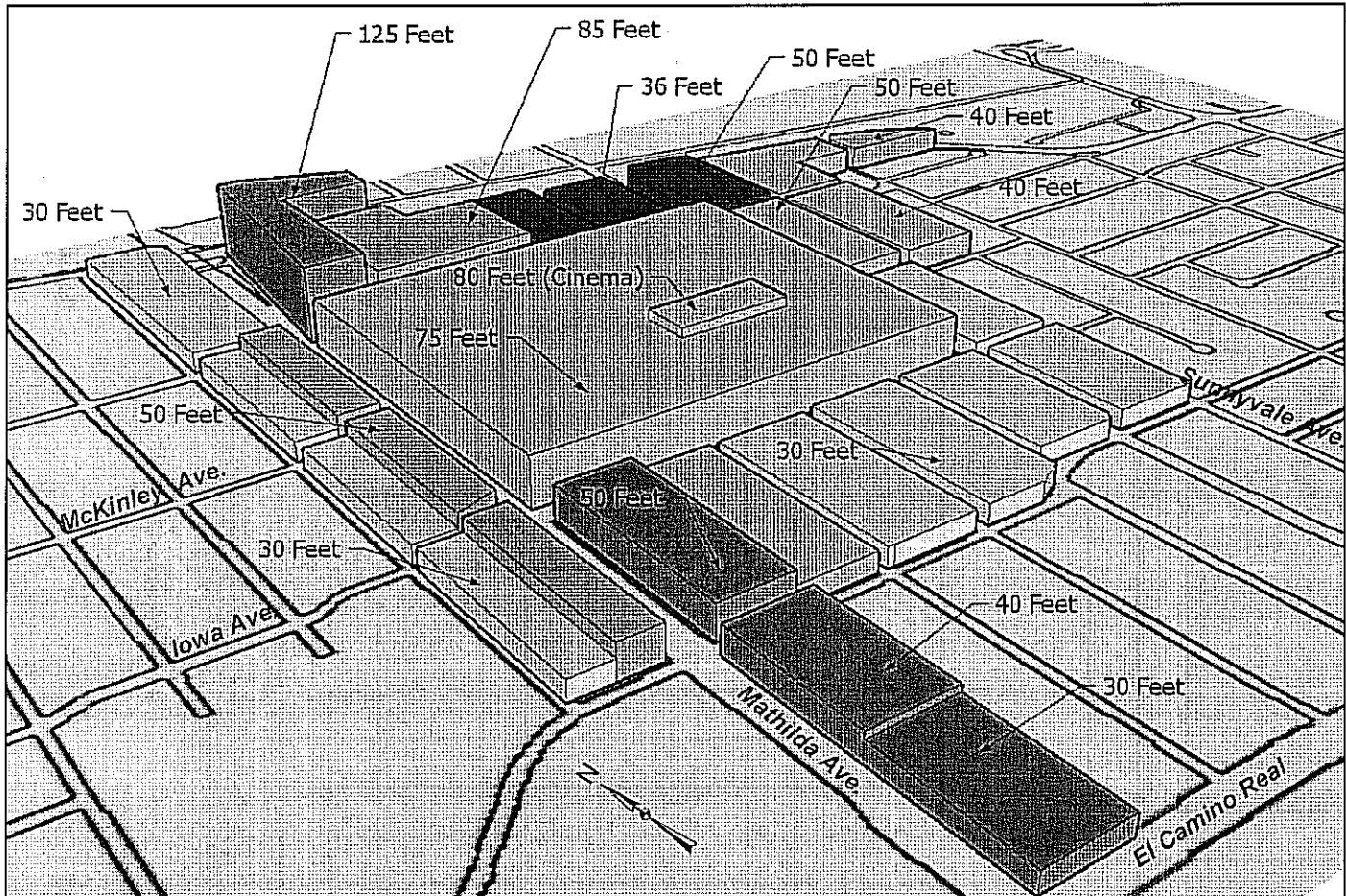
Prepared by:

Lead Agency: City of Sunnyvale



Steve Lynch, Senior Planner

Date: April 2, 2007



RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY
OF SUNNYVALE AMENDING THE GENERAL PLAN AND
THE 2003 DOWNTOWN SPECIFIC PLAN (DSP) TO
INCREASE MAXIMUM DEVELOPMENT INTENSITY
PERMITTED IN DSP BLOCK 18**

WHEREAS, the City of Sunnyvale has been engaged in a Downtown Improvement Program ("Program") with the goal of revitalizing the City's original central area. The Program has consisted of a number of City-adopted, interrelated planning and redevelopment components, including the Sunnyvale Downtown Specific Plan and associated zoning code provisions (adopted 1993), the Murphy Avenue Design Guidelines (adopted 1994), and the Sunnyvale Downtown Redevelopment Plan (adopted 1975, last amended 2003); and

WHEREAS, the City updated its Downtown Improvement Program and amended the General Plan, Downtown Specific Plan, related zoning code provisions, and the Downtown Redevelopment Plan. In June of 2003, the City Council certified an environmental impact report that evaluated the proposed changes to the Downtown Improvement Program, and amended the General Plan to create a new land use category described as "Downtown Specific Plan" which specified land uses, densities and maximum building heights for the plan area. (Resolution No. 123-03.) In October of 2003, the City Council adopted the revised Downtown Specific Plan and related zoning code amendments to further refine development regulations and standards for the area. (Resolution No. 149-03.). In July of 2004, the City Council adopted an amendment to the General Plan and the 2003 Downtown Specific Plan to increase the available office and residential development densities in Block 18 of the Downtown Specific Plan; and

WHEREAS, staff has received from applicant, Sand Hill Property Company, a request for an amendment to the Downtown Specific Plan and associated sections of Title 19 (Zoning) of the Sunnyvale Municipal Code. Staff has studied the request and has proposed amendments to the Downtown Specific Plan and zoning code to increase the intensity of Block 18 by an additional 40,000 square feet of office space and a new hotel with up to 200 rooms; and

WHEREAS, a draft and final Program Environmental Impact Report (jointly the "Program EIR") was prepared to assess the potential environmental impacts of the Downtown Improvement Program Update ("the Project"), describe alternatives to the Project proposal and potential mitigation measures. On June 17, 2003, after a public hearing duly held, the City Council reviewed the documents comprising the Program EIR and found that the Program EIR reflects the independent judgment of the City Council and its staff, and is an adequate and extensive assessment of the environmental impacts of the Project. The City Council certified the Program EIR as having been prepared in compliance with the requirements of the California Environmental Quality Act ("CEQA"), made necessary findings and adopted the mitigation and monitoring program (Resolution No. 123-03). The potential environmental impacts of the proposed increase to Block 18 densities were considered within the scope of the Program EIR; accordingly, an addendum to the Program EIR has been prepared pursuant to CEQA guideline section 15164 to aid in its review; and

WHEREAS, the Planning Commission considered the proposed amendments at a duly noticed hearing held on _____, 2007, and has recommended approval of the amendments to the Downtown Specific Plan and zoning code to increase the intensity of Block 18 by an additional 40,000 square feet of office space and a new hotel with up to 200 rooms in Block 18; and

WHEREAS, the City Council held a public hearing on _____, 2007, and considered the reports and documents presented by City staff, the Planning Commission's recommendation, and the written and oral comments presented at the public hearing.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Sunnyvale that it hereby adopts the following findings and actions:

I. THE GENERAL PLAN AND DOWNTOWN SPECIFIC PLAN AMENDMENTS. The overall update to the Downtown Improvement Program made a series of land use, density and development regulation changes for properties in and adjacent to the Downtown Specific Plan Area. This proposed amendment to the General Plan and Downtown Specific Plan ("DSP") will increase the development potential of DSP Block 18 by 40,000 square feet of office space, for a total of 322,000 square feet, and a new hotel with up to 200 rooms for approximately 150,000 square feet. The basic purpose of the amendments is to aid in the redevelopment of Block 18, which is the site of the current Town Center Mall.

II. ENVIRONMENTAL REVIEW. The proposed increases to the Downtown Specific Plan and General Plan were considered as part of the project analyzed in the Program EIR for the Downtown Improvement Program Update. The City Council reviewed the Program EIR and found that it reflects the independent judgment of the City Council and its staff, and is an adequate and extensive assessment of the environmental impacts of the Project. The City Council certified the Program EIR as having been prepared in compliance with the requirements of CEQA, made necessary findings, adopted a statement of overriding considerations related to certain impacts on traffic and air quality, and adopted a mitigation and monitoring program (Resolution No. 123-03). An addendum to the Program EIR was prepared for this particular proposal pursuant to CEQA guideline section 15164. Because the current proposal does not increase development intensities beyond the levels considered in the Program EIR, no additional significant impacts are present, nor is the severity of known significant impacts increased.

Although no changes to significant impacts were identified, the existing significant and unavoidable impacts to cumulative regional air quality and traffic and transportation still remain. Accordingly, the City Council incorporates by this reference the findings and statement of overriding considerations contained in the Program EIR as to the environmental effects of the Project, together with the additional findings contained in this Resolution. The City Council finds that the proposed revisions to the General Plan and Downtown Specific Plan are consistent with the Project reviewed in the Program EIR, therefore no additional environmental review is required. The General Plan and the Downtown Specific Plan are subject to the Mitigation Monitoring Program adopted by the City Council for the Project. Future site-specific development proposals will be subject to further environmental review on a project-by-project basis.

III. GENERAL PLAN AMENDMENT. Based on the foregoing findings, the City Council finds and determines that the General Plan amendment constitutes a suitable and logical change in the plan for the physical development of the City of Sunnyvale, and it is in the public interest to approve the General Plan amendment, which is next described in more detail:

A. Appendix A – Relationship of General Plan Land Use Categories with Zoning Categories of the Land Use and Transportation Element of the City of Sunnyvale General Plan is amended as follows:

1. [Text unchanged.]
2. Downtown Specific Plan

The Downtown Specific Plan designation permits a mix of uses in the downtown area, including residential, retail and commercial. This land use category is limited to the downtown area. The corresponding zoning districts with specific allowed uses and densities are described by block number as follows:

BLOCK	USE	SQUARE FOOTAGE	Max Height
1	Office	450,000 sq. ft. office 10,000 sq. ft. retail	125 ft.
1a	Very High Density Residential / Retail	450 units 52,500 sq. ft. retail	85 ft.
2	Historic District Restaurant Entertainment	80,000 sq. ft. office 170,891 sq. ft. retail	36 ft.
3	Local Retail	62,000 sq. ft.	50 ft.
4	Mix of Very High and Medium Density Res.	173 units	40 ft.
5	Very High Density Res.	46 units	40 ft.
6	Mix of High and Medium Density Res.	112 units	40 ft.
7	Regional Retail	100 units 50,000 sq. ft. office/retail	50 ft.
8	Mix of Low, Low-Medium and Medium Density Res.	47 units	30 ft.
9	Low and Low-Medium Density Res.	28 units	30 ft.
10	Low-Medium Density Res.	47 units	30 ft.
11	Low-Medium Density Res.	49 units	30 ft.
12	Low-Medium Density Res.	51 units	30 ft.
13	Office/Retail Low-Medium Density Res.	176,021 office 20,120 retail 25 units Low-Medium Density Residential along Taaffe Street	50 ft. 30 ft. along Taaffe St.

BLOCK	USE	SQUARE FOOTAGE	Max Height
14	Very High Density Residential	173 units	50 ft. along Mathilda 30 ft. along Charles
15	Very High Density Residential	152 units	50 ft. along Mathilda 30 ft. along Charles
16	Very High Density Residential	173 units	50 ft. along Mathilda 30 ft. along Charles
17	Low Medium Density Residential	48 units	30 ft.
18	Regional Retail/Mixed Use	1,007,876 sq. ft. retail <u>hotel (200 rooms)</u> 292 units 322,000 sq. ft. office	75 ft. for the mall 80 ft. for the theaters
20	High Density Residential/Office	As per current allowance under general plan	40 ft. for residential at north end of block and 30 ft. for office at south end of block

IV. DOWNTOWN SPECIFIC PLAN AMENDMENT. Based on the foregoing findings, the City Council finds and determines that the revisions to the Approved 2003 Downtown Specific Plan constitute a suitable and logical change in the plan for the physical development of the City of Sunnyvale, and it is in the public interest to approve the amendments to the Downtown Specific Plan. The City Council finds that the revised plan is consistent with the City's General Plan, and supports the City's long term goals for the downtown. Based upon the revised plan's consistency with the General Plan, and subject to the implementation of the Mitigation Monitoring Program as a condition of approval, the City Council approves and adopts the amendments to the "City of Sunnyvale Downtown Specific Plan 2003," as described below:

A. Chapter Six of the City of Sunnyvale Downtown Specific Plan, entitled "Downtown Districts and Development Standards" is amended as follows:

1. Table 6.1 is modified as indicated below:

Permitted Land Uses and Development Intensities

Each block has one or more designated primary land uses. The following table lists the maximum number of units, or gross floor area for commercial uses.

TABLE 6.1– PERMITTED LAND USES AND DEVELOPMENT INTENSITIES

District	Block	Area Acres	Primary Uses	Approx. Density	Res. Units	Office	Retail / Rest. / Ent.
Commercial Core	1	6.00	Office	N/A		450,000	10,000
Commercial Core	1a	5.76	Very High Density Residential	78 du/ac.	450		52,500
Commercial Core	2	6.44	Retail	N/A		80,000	170,891
Sunnyvale/ Carroll	3	2.86	Retail Specialty Grocery	N/A			62,000
Sunnyvale/ Carroll	4	3.89	Very High/Medium Density Residential	48 du/ac. 24 du/ac	173		
Sunnyvale/ Carroll	5	1.15	Very High Density Residential	40 du/ac	46		
Sunnyvale/ Carroll	6	3.49	High/Medium Density Residential	36 du/ac 24 du/ac	112		
Sunnyvale/ Carroll	7	3.55	High Density Residential Retail	N/A	100	36,000	14,000
South of Iowa	8	1.19	Low-Medium Density Residential	12 du/ac	15		
South of Iowa	8a	0.5	Medium Density Residential	24 du/ac	12		
South of Iowa	8b	1.59	Low Density Residential	7 du/ac	12		
South of Iowa	9	1.68	Low-Medium Density Residential	12 du/ac	20		
South of Iowa	9a	1.19	Low Density Residential	7 du/ac	8		
South of Iowa	10	2.79	Low Medium Density Residential	12 du/ac	47		
South of Iowa	11	3.57	Low Medium Density Residential	12 du/ac	49		
South of Iowa	12	3.71	Low Medium Density Residential	12 du/ac	51		
Commercial Core	13	6.82	Retail and Low-Medium Density Res.	12 du/ac	25	176,021	20,120
West of Mathilda	14	3.41	Very High Density Residential	51 du/ac.	173		10,000
West of Mathilda	15	2.77	Very High Density Residential	54 du/ac.	152		10,000
West of Mathilda	16	2.97	Very High Density Residential	58 du/acre	173		10,000
West of Mathilda	17	3.41	Low Medium Density Residential	12 du/acre	48		
Commercial Core	18	36.39	Mixed Use	N/A	292	282,000 322,000	1,007,876
Commercial Core	20	1.70	High Density Residential Office	N/A	51	16,400	
TOTAL		100.6			2,009	1,040,421 1,080,421	1,367,387

2. The identified portion of Table of Development Standards for Block 18 on page 83 of Chapter Six of the Downtown Specific Plan is modified as indicated below:

BLOCK 18	
Uses Allowed	Retail, Entertainment, Office, <u>Hotel</u> and High Density Residential
Min Lot Size	0.30 ac.
Max. Floor Area	1,007,897 sq. ft. retail/restaurant/entertainment 292 units 282,000 <u>322,000</u> sq. ft. office
Maximum Density	N/A
Max. Lot Coverage	Per Special Development Permit
Max. Height	75 ft. (5 stories) Up to 80 ft. for movie theaters at the interior of the block (80 ft. includes mechanical equipment).

B. Chapter Six of the Downtown Specific Plan is further amended by including a Land Use Map, referred to as Figure 6.1 following Table 6.1,

BE IT FURTHER RESOLVED, that the City Clerk is directed to file a certified copy of the General Plan and Downtown Specific Plan amendments with the Board of Supervisors and the Planning Commission of the County of Santa Clara and the planning agency of each city within the County of Santa Clara. The City Clerk is directed further to file a certified copy of the plan with the legislative body of each city, the land of which may be included in the plan.

Adopted by the City Council at a regular meeting held on _____, 2007, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

City Clerk
(SEAL)

Mayor

APPROVED AS TO FORM AND LEGALITY:

David E. Kahn, City Attorney

ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY
OF SUNNYVALE AMENDING PORTIONS OF TITLE 19
OF THE SUNNYVALE MUNICIPAL CODE PERTAINING
TO DEVELOPMENT INTENSITIES IN BLOCK 18 OF THE
DOWNTOWN SPECIFIC PLAN AREA**

THE CITY COUNCIL OF THE CITY OF SUNNYVALE DOES ORDAIN AS
FOLLOWS:

SECTION 1. SECTION 19.28.050 AMENDED. Section 19.28.050 of the Sunnyvale
Municipal code is hereby amended to read as follows:

19.28.050. Downtown specific plan blocks; primary uses and densities.

The downtown specific plan district is divided into subdistricts, referred to
as "blocks." The primary uses and densities for each block are listed in Table
19.28.050.

Table 19.28.050

Primary Uses and Densities in DSP Blocks

District	Block	Primary Uses	Approx. Density	Res. Units	Office (total sq. ft.)	Retail / Restaurant / Entertainment (total sq. ft.)
Commercial Core	1	Office	N/A		450,000	10,000
Commercial Core	1a	Very High Density Residential	78 du/ac	450		52,500
Commercial Core	2	Retail	N/A		80,000	170,891
Sunnyvale/Carroll	3	Retail Specialty Grocery	N/A			62,000
Sunnyvale/Carroll	4	Very High/Medium Density Residential	48 du/ac 24 du/ac	173		
Sunnyvale/Carroll	5	Very High Density Residential	40 du/ac	46		
Sunnyvale/Carroll	6	High/Medium Density Residential	36 du/ac 24 du/ac	112		
Sunnyvale/Carroll	7	High Density Residential Retail	N/A	100	36,000	14,000
South of Iowa	8	Low Medium Density Residential	12 du/ac	15		

District	Block	Primary Uses	Approx. Density	Res. Units	Office (total sq. ft.)	Retail / Restaurant / Entertainment (total sq. ft.)
South of Iowa	8a	Medium Density Residential	24 du/ac	12		
South of Iowa	8b	Low Density Residential	7 du/ac	12		
South of Iowa	9	Low Medium Density Residential	12 du/ac	20		
South of Iowa	9a	Low Density Residential	7 du/ac	8		
South of Iowa	10	Low Medium Density Residential	12 du/ac	47		
South of Iowa	11	Low Medium Density Residential	12 du/ac	49		
South of Iowa	12	Low Medium Density Residential	12 du/ac	51		
Commercial Core	13	Retail and Low Medium Density Residential	12 du/ac	25	176,021	20,120
West of Mathilda	14	Very High Density Residential	51 du/ac	173		10,000
West of Mathilda	15	Very High Density Residential	54 du/ac	152		10,000
West of Mathilda	16	Very High Density Residential	58 du/acre	173		10,000
West of Mathilda	17	Low Medium Density Residential	12 du/acre	48		
Commercial Core	18	Mixed Use	N/A	292	282,000 322,000	1,007,876
Commercial Core	20	High Density Residential Office	N/A	51	16,400	
TOTAL				2,009	1,040,421 1,080,421	1,367,387

SECTION 2. SECTION 19.28.070 AMENDED. Section 19.28.070 of the Sunnyvale Municipal code is hereby amended to read as follows:

19.28.070. Permitted, conditionally permitted and prohibited uses in mixed use, commercial and office DSP blocks.

(a) Table 19.28.070 sets forth those uses which are permitted, conditionally permitted, and prohibited in mixed use, commercial and office DSP blocks and the type of approval a use requires.

(b) It is a violation of this chapter to:

(1) Engage in a use that is conditional without complying with the imposed conditions;

(2) Engage in a prohibited use;

(3) Engage in a use requiring a miscellaneous plan permit, use permit or special development permit without obtaining the required permit.

(c) All permitted uses which require no new construction or additions or changes to the exterior of the building may be conducted within existing enclosed buildings. New construction or additions to any use, other than a single-family home requires a special development permit as set forth in Chapter 19.90, except that Block 2 (commercial historic) also requires a landmark alteration permit as set forth in Chapter 19.96. Minor changes to the exterior of a building may be approved by the director of community development by a miscellaneous plan permit as set forth in Chapter 19.82.

TABLE 19.28.070

**Permitted, Conditionally Permitted and Prohibited
Uses in Mixed Use, Commercial and Office DSP Blocks**

In the table, the letters and symbols are defined as follows:

P = Permitted use

SDP = Special development permit required

MPP = Miscellaneous plan permit required

N = Not permitted, prohibited

DSP MIXED USE, COMMERCIAL AND OFFICE BLOCKS	1	1a	2	3	7	13	18	20
1. Residential								
A. Single-family dwelling and accessory buildings and uses developed on an existing, legally created lot	N	N	N	N	N	SDP	N	SDP
B. Single room occupancy (SRO) facilities	N	SDP	N	N	SDP	SDP	SDP	SDP
C. 2 family dwelling (duplex)	N	N	N	N	N	SDP	N	SDP
DSP MIXED USE, COMMERCIAL AND OFFICE BLOCKS	1	1a	2	3	7	13	18	20
D. Multiple-family dwellings (3 or more units, or more than one main building) and accessory buildings and uses	N	SDP	SDP	SDP	SDP	SDP	SDP	SDP
E. Boarding for less than three persons	N	P	P	P	P	P	P	P

DSP MIXED USE, COMMERCIAL AND OFFICE BLOCKS	1	1a	2	3	7	13	18	20
F. Facilities caring for 6 or fewer persons, as declared by the state to be a residential use	N	P	P	P	P	P	P	P
G. Small Family Day Care	N	P	N	N	P	P	P	P
H. Large Family Day Care	N	UP	N	N	UP	UP	UP	UP
2.Education, Recreation and Places of Assembly								
A. Education – Recreation and Enrichment	SDP	SDP	SDP	SDP	SDP	SDP	SDP	SDP
B. Education – Primary and High School	N	N	N	N	N	N	N	N
C. Education – Institution of Higher learning	N	N	N	N	N	N	N	N
D. Recreational and Athletic Facilities	SDP	SDP	SDP	SDP	SDP	SDP	SDP	SDP
E. Places of Assembly – Business Serving	SDP	SDP	SDP	SDP	SDP	N	N	SDP
F. Places of Assembly – Community Serving	N	N	N	N	N	N	N	N
G. Parks and Playgrounds	SDP	SDP	SDP	SDP	SDP	SDP	SDP	SDP
H. Entertainment Establishments	SDP	SDP	SDP	SDP	N	N	SDP	N
I. Card Rooms	N	N	N	N	N	N	N	N
3.Commercial Uses								
A. Assembly, compounding, manufacture or processing of merchandise or products, except such as are customarily incidental or essential to permitted retail commercial and service uses	N	N	N	N	N	N	N	N
B. Automobile service stations	N	N	N	N	N	N	N	N
C. Automobile vehicle-related parts sales, rentals, sales, repair or service uses	N	N	N	N	N	N	N	N
D. Childcare center	SDP	SDP	SDP	SDP	SDP	SDP	SDP	SDP
E. Drive-through businesses	N	N	N	N	N	N	N	N
F. Financial institutions such as banks and savings and loans	MPP	MPP	MPP	MPP	MPP	MPP	MPP	MPP
G. Hotels and Motels	SDP	SDP	N	SDP	SDP	SDP	N <u>SDP</u>	N

DSP MIXED USE, COMMERCIAL AND OFFICE BLOCKS	1	1a	2	3	7	13	18	20
H. Office: administrative, professional, medical and R&D (except ground floor)	P	P	P	SDP	P	SDP	P	P
I. Office: ground floor administrative, professional and medical (ground floor dependent; not to exceed 1000 square feet per shopping center)	P	P	P	SDP	P	SDP	P	P
J. Office: ground floor administrative, professional medical and R&D (not ground floor dependent or in excess of 1000 square feet per shopping center)	P	P	MPP ¹	SDP ¹	MPP ¹	SDP ¹	P	P
K. Personal service shops such as barber and beauty shops	SDP	P	P	P	P	SDP	P	P
L. Package liquor retail sales, when not combined with another permitted use	N	SDP	N	SDP	SDP	N	SDP	N
M. Pawn broker shops	N	N	N	N	N	N	N	N
N. Public premises for which on-sale beer, on-sale beer and wine or on-sale general licenses for the sale of alcoholic beverages have been issued	SDP	SDP	SDP	SDP	SDP	SDP	SDP	SDP
O. Repair shops for household appliances and wearing apparel	SDP	P	P	P	P	SDP	P	SDP
P. Retail business, including take-out retail food establishments	P	P	P	P	P	SDP	P	SDP
Q. Retail Services such as laundry, repair shops, etc.	P	P	P	P	P	P	P	P
R. Restaurants and fast food restaurants with no alcohol sales	P	P	P	SDP	SDP	SDP	P	SDP
4. Accessory Uses								
A. Retail commercial uses incidental to and in combination with residential uses	SDP	SDP	SDP	SDP	SDP	SDP	SDP	SDP
B. Outdoor dining in conjunction with an approved restaurant use	MPP	MPP	MPP	MPP	MPP	MPP	MPP	MPP
5. Temporary Uses								
A. Construction yard, subject to approval of director of public works	MPP	MPP	MPP	MPP	MPP	MPP	MPP	MPP
6. Other Uses								
A. Adult entertainment establishments	N	N	N	N	N	N	N	N

DSP MIXED USE, COMMERCIAL AND OFFICE BLOCKS	1	1a	2	3	7	13	18	20
B. Electric transmission substations	N	N	N	N	N	N	N	N
C. Massage establishments²	P	P	P	P	P	P	P	P
D. Parking structures	SDP	SDP	SDP	SDP	SDP	SDP	SDP	SDP
E. Public service buildings and accessory uses	SDP	SDP	SDP	SDP	SDP	SDP	SDP	SDP
F. Public transportation facilities	SDP	SDP	SDP	SDP	SDP	SDP	SDP	SDP
G. Public utility buildings and service facilities	N	N	N	N	N	N	N	N
H. Recycling centers in convenience zones as required by Public Resources Code Section 14300, et seq.	N	N	N	SDP	SDP	SDP	SDP	N
I. Unenclosed uses other than outdoor dining	SDP	SDP	SDP	SDP	SDP	SDP	SDP	SDP
J. Sale or rental of motor vehicles of all kinds	N	N	N	N	N	N	N	N
K. Sale or rental of heavy equipment or machinery	N	N	N	N	N	N	N	N
L. Storage or parking of commercial, industrial or public utility vehicles	N ³	N ³	N ³	N ³	N ³	N ³	N ³	N ³
M. Wholesale storage or warehousing of merchandise or products within a building	N	N	N	N	N	N	N	N
N. Any use which is obnoxious, offensive or creates a nuisance to persons in adjacent buildings or premises by reason of the emission of dust, fumes, glare, heat, liquids, noise, odor, smoke, steam, vibrations, or similar disturbances	N	N	N	N	N	N	N	N

- 1 Any lease for office use entered into prior to June 1, 2001 and any subsequent renewals of such existing leases, shall not be subject to the permit requirements set forth in this section. New office leases entered into with new or different tenants on or after June 1, 2001 shall be subject to the provisions of this section.
- 2 Subject to provisions of Chapter 9.41.
- 3 Except that daytime and overnight parking of up to five commercial motor vehicles (of a type that are less than 10,000 pounds in gross vehicle weight with not more than two axles) that are owned or operated by the person(s), company or business which conducts the primary use is permitted, provided the vehicles are used for purposes of delivery, pick up or service to patrons of the primary use only, do not utilize on-site required parking and are not utilized for purposes of advertising.

SECTION 3. SECTION 19.28.100 AMENDED. Section 19.28.100 of the Sunnyvale Municipal code is hereby amended to read as follows:

19.28.100. Block summaries and building setbacks.

Each lot in each block shall conform to applicable provisions for frontage, interior side and rear setbacks, as set forth in Tables 19.28.100(a) through (e). Covered porches, stoops, and stairways may extend up to six feet into any required front yard.

Table 19.28.100(a)

Development Standards for Commercial Core District Blocks 1, 1a, 2 and 3

[No Change]

Table 19.28.100(b)

Development Standards for Commercial Core District Blocks 13, 18 and 20

	Block 13	Block 18	Block 20
Primary Uses Allowed	Office and Service retail and Low-Medium Density Residential	Retail, Entertainment, Office, <u>Hotel</u> and High-Density Residential	Office High Density Residential
Min. Lot Size	0.4 ac.		No min.
Max. Office/Retail Sq. Ft.	170,891 sq. ft. office 20,120 sq. ft. retail/restaurant	1,007,897 sq. ft. retail/restaurant/entertainment 282,000 <u>322,000</u> office	16,400 sq. ft. office
Max. Residential Units	25	292 units	51 units
Approximate Density	12 du/acre for townhouses along Taaffe Street	N/A	36 du/acre for northern half of the block
Max. Lot Coverage	Per SDP	Per SDP	60% max
Max. Height	Office uses - 50 ft. (3 stories)	75 ft. (5 stories) Up to 80 ft. for movie theaters at the interior of the block	40 ft. (3 stories) for high-density residential on the north half of the block
	Residential - 30 ft. (3 stories)		30 ft. for office uses on the south half of the block
Required Right-of-Way Dedications	10 ft. along Mathilda Avenue	5 ft. along Mathilda Avenue north of Booker 10 ft. along Mathilda south of Booker 5 ft. along Iowa between Mathilda and Parking Garage B	10 ft. along Mathilda Avenue
Min. Setbacks/Build-to Requirements (see diagram) 0 ft.			
Mathilda Ave.	0 ft.	0 ft.	0 ft.

	Block 13	Block 18	Block 20
McKinley Ave.	0 ft.	0 ft.	N/A
Taaffe St.	10 ft.	0 ft.	N/A
El Camino Real	N/A	N/A	30 ft.
Sunnyvale Ave.	N/A	0 ft.	N/A
Olive Ave.	10 ft.	N/A	10 ft.
Min. Interior Setbacks			
Side	0 ft.	0 ft.	6 ft.
Rear	0 ft.	0 ft.	20 ft.

	Block 13	Block 18	Block 20
Min. Landscaped Area	All areas not devoted to driveways and surface access zones	All areas not devoted to driveways and surface access zones	All areas not devoted to driveways and surface access zones
Min. Useable Open Space	500 sq. ft./unit	50 sq. ft./unit	380 sq. ft./unit
Type of Parking	Surface Parking or Above-Ground Structures	Above grade structures and surface parking	Structured and surface (underground is encouraged)
Special Design Features	None	Downtown Gateway at Mathilda/ Washington	None

Table 19.28.100(c)**Development Standards for Sunnyvale/Carroll District Blocks 4, 5, 6 and 7**

[No Change]

Table 19.28.100(d)**Development Standards for South of Iowa District Blocks 8, 8a, 8b, 9, 9a, 10, 11 and 12**

[No Change]

Table 19.28.100(e)**Development Standards for West of Mathilda District Blocks 14, 15, 16, and 17**

[No Change]

SECTION 4. CEQA COMPLIANCE. As part of the process of updating the Downtown Improvement Program, the City has analyzed the environmental effects of this ordinance, certified a Program Environmental Impact Report and a Mitigation Monitoring and Reporting Program on June 17, 2003, prepared an addendum to the EIR pursuant to guideline 15164, and made necessary findings required by the California Environmental Quality Act (Public Res. Code §§ 21000 et seq.; "CEQA"). The City finds that the adoption of this ordinance is within the scope of the program EIR and no new environmental documentation is required.

SECTION 5. EFFECTIVE DATE. This ordinance shall be in full force and effect thirty (30) days from and after the date of its adoption.

SECTION 6. POSTING AND PUBLICATION. The City Clerk is directed to cause copies of this ordinance to be posted in three (3) prominent places in the City of Sunnyvale and to cause publication once in The Sun, the official newspaper for publication of legal notices of the City of Sunnyvale, of a notice setting forth the date of adoption, the title of this ordinance, and a list of places where copies of this ordinance are posted, within fifteen (15) days after adoption of this ordinance.

Introduced at a regular meeting of the City Council held on _____, 2007, and adopted as an ordinance of the City of Sunnyvale at a regular meeting of the City Council on _____, 2007, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

City Clerk
(SEAL)

Mayor

APPROVED AS TO FORM AND LEGALITY:

David E. Kahn, City Attorney

GENERAL PLAN INITIATION APPLICATION

SUNNYVALE TOWN CENTER

SUNNYVALE, CALIFORNIA

CLIENT / DEVELOPER

RREEF
101 California Street, Suite 2600
San Francisco, Ca 94111
415.262.7716
Dave Wilbur

SAND HILL PROPERTY COMPANY
489 S. El Camino real
San Mateo, Ca 94402
650.344.1500
Peter Pau
Jeff Warmoth

ARCHITECTS

RTKL
333 South Hope Street, C200
Los Angeles, Ca 90071
213.633.6122
David Schmitz

KENNETH RODRIGUES & PARTNERS, INC.
445 N. Whisman Road, Suite 200
Mountain View, Ca 94043
650.965.0700
Kenneth Rodrigues, FAIA

KTGY GROUP, INC.
283 4th St. Suite 201
Oakland, CA 94607
510.272.7910
Stan Braden

THE GUZZARDO PARTNERSHIP, INC.
836 Montgomery Street
San Francisco, Ca 94133
415.433.4672
Gary Laymon

PROJECT TABULATIONS

USE	TOTALS		BLOCK 1		BLOCK 2		BLOCK 3		BLOCK 4		BLOCK 5		BLOCK 6	
	AREA / UNITS	PARKING	AREA / UNITS	PARKING	AREA / UNITS	PARKING	AREA / UNITS	PARKING	AREA / UNITS	PARKING	AREA / UNITS	PARKING	AREA / UNITS	PARKING
MACY'S	177,000 SF		-		-		177,000 SF		-		-		-	
TARGET	180,658 SF		-		-		-		130,658 SF		-		-	
RETAIL	504,083 SF		87,410 SF		98,040 SF		194,543 SF		30,936 SF		82,550 SF		53,184 SF	
OFFICE	320,106 SF		47,332 SF		272,864 SF		-		-		-		-	
CINEMA	57,580 SF 2,624 SEATS		-		-		-		-		57,580 SF / 2,624 SEATS		-	
HOUSING	448,600 SF / 282 UNITS		225,340 SF / 144 UNITS		189,960 SF / 120 UNITS		-		-		33,300 SF / 18 UNITS		-	
HOTEL	141,298 SF / 150-200 ROOMS		-		-		-		-		-		141,298 SF / 150-200 ROOMS	
TOTALS	1,820,993 SF / 282 HOUSING UNITS / 150-200 ROOMS	5,846 SPACES	340,082 SF / 144 UNITS	1,038 SPACES	558,864 SF / 120 UNITS	1,748 SPACES	371,543 SF	18 SPACES	211,592 SF	344 SPACES	153,430 SF / 18 UNITS	980 SPACES	194,482 SF / 150-200 ROOMS	1,540 SPACES



RTKL Associates, Inc.
500 N. Third Street, Suite 200
San Jose, CA 95131
Tel: 415.862.8800
Fax: 415.862.8802
www.rtkl.com
REGISTRATION

KENNETH RODRIGUES
& PARTNERS, INC.
445 N. Whisman Road, Suite 200
Mountain View, Ca 94043
650.965.0700



THE
GUZZARDO
PARTNERSHIP INC.
Landscape Architects - Land Planning
836 Montgomery Street
San Francisco, CA 94133
Tel: 415.433.4672
Fax: 415.433.4672

DEVCON CONSTRUCTION
800 Gibraltar Drive
Alhambra, CA 91802
408.441.8320

PROJECT NO.
63.38.97 45-00003.00
PROJECT TITLE
**SUNNYVALE
TOWN
CENTER**
Sunnyvale, California

DEVELOPER
RREEF
101 California Street, Suite 2600
San Francisco, Ca 94111
415.262.7716
**SAND HILL
PROPERTY COMPANY**
489 S. El Camino
San Mateo, Ca 94402
650.344.1500

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SHEET TITLE
COVER SHEET

BY: KTGY GROUP, INC. 2007
SHEET NO.
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NOT FOR CONSTRUCTION

RTKL

RTKL Associates, Inc.
233 E. Peach Street, Suite 1200
San Francisco, CA 94102
Tel: 415 398 8800
Fax: 415 398 8800
www.rtkl.com

REGISTRATION

PROJECT

**KENNETH RODRIGUES
& PARTNERS, INC.**

440 H. Wynton Road, Suite 200
Menlo Park, CA 94025
415.352.0700



**THE GUZZARDO
PARTNERSHIP INC.**
Landmark Real Estate Land Planning
400 Montgomery Street
San Francisco, CA 94102
415.433.3600

DEVCON CONSTRUCTION
880 California Street, Suite 200
San Francisco, CA 94108
415.342.1200

DATE: 02.08.07 PROJECT NO.: 02-000000

PROJECT TITLE

**SUNNYVALE
TOWN
CENTER**
Sunnyvale, California

DEVELOPER

RREEF

101 California Street, Suite 200
San Francisco, CA 94111
415.382.7718

**SAND HILL
PROPERTY COMPANY**

400 E. 51 Street
San Mateo, CA 94402
650.344.1800

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DATE: 02.08.07

PROJECT TITLE

**BASEMENT LEVEL ONE
FLOOR PLAN**

© 2007 Devcon, Inc. 0000

PROJECT NO.

10.00

NOT FOR CONSTRUCTION

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A3 BASEMENT LEVEL ONE FLOOR PLAN

SCALE: 1"=40' 0"



DEVCON, INC. 02/08/07 - 02/08/07
FILE NAME: SUNNYVALE TOWN CENTER - BASEMENT ONE FLOOR PLAN
A100 - 02/08/07 (02/08/07) - 02/08/07 (02/08/07)

RTKL

RTKL Association, Inc.
225 S. Hope Street, Suite 200
Los Angeles, CA 90071
Tel: 213.623.8800
Fax: 213.623.8800
www.rtkl.com

REGISTRATION

ARCHITECT

KENNETH RODRIGUES & PARTNERS, INC.

445 N. Wilmette Road, Suite 200
Mountain View, CA 94040
650.962.0700



THE GUZZARDO PARTNERSHIP INC.
Landscape Architects & Land Planners
600 Montgomery Road
San Francisco, CA 94133
415.433.4822
7415.433.3880

DEVCON CONSTRUCTION

690 Glenview Drive
Hayward, CA 94542
ACR: 842, 8202

DATE: 02.04.07 PROJECT NO: 43-00000-00
PROJECT TITLE:

SUNNYVALE TOWN CENTER
Sunnyvale, California

DEVELOPER

REEF
121 California Street, Suite 2002
San Francisco, CA 94111
415.392.1770

SAND HILL PROPERTY COMPANY
400 N. 23rd Avenue
San Mateo, CA 94402
650.341.1300

ISSUED DRAWING LOG

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NEXT TITLE

STREET LEVEL FLOOR PLAN

BY: RTKL
DATE: 02.04.07

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NOT FOR CONSTRUCTION

A3 STREET LEVEL FLOOR PLAN



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RTKL

RTKL Associates, Inc.
333 N. La Brea Ave., Suite 2000
Los Angeles, CA 90047
Tel: 213.523.2000
Fax: 213.523.2002
www.rtkl.com
ME-02-079473-09

ARCHITECT
**KENNETH RODRIGUES
& PARTNERS, INC.**
448 H. Whitney Road, Suite 202
Mountain View, CA 94043
(650) 968-0720



7116
GUZZARDI PARTNERSHIP INC.
Landscape Architecture • Land Planners
626 Montgomery Street
San Francisco, CA 94132
T 415 433 8672
F 415 433 3063

DEVCON CONSTRUCTION
1001 Glenview Drive
Milpitas, CA 95028
408 / 943 / 8222

ISSUE DATE	PROJECT NO.
02-28-87	AS-00022-06

**SUNNYVALE
TOWN
CENTER**
Sunnyvale, California

DEVELOPING
RREEF
101 California Street, Suite 2000
San Francisco, CA 94111
415.392.7718

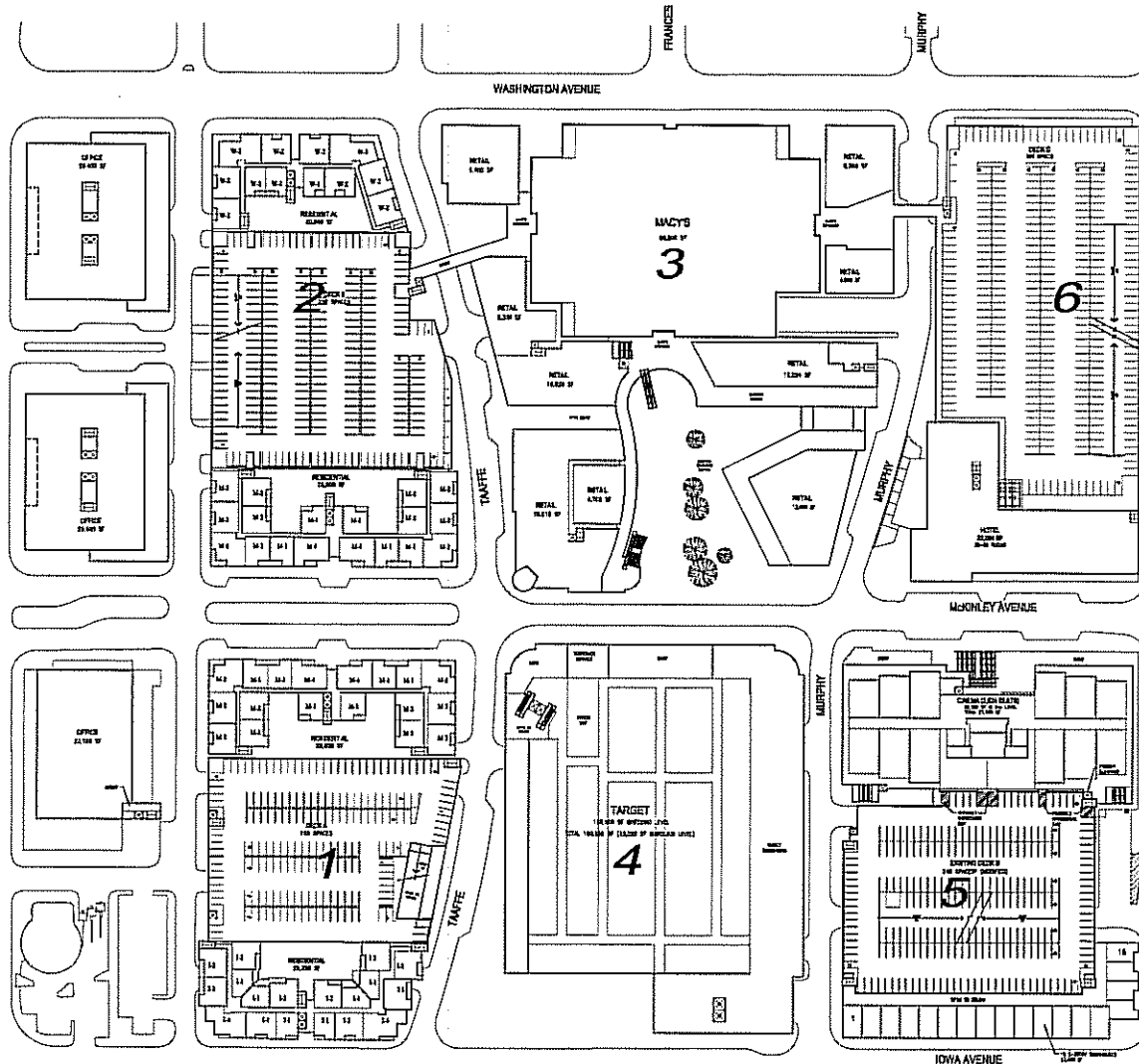
**SAND HILL
PROPERTY COMPANY**
488 W. El Comino
San Mateo, Ca 94403
880.344.1500

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**SECOND LEVEL
FLOOR PLAN**

NOT FOR CONSTRUCTION

		01/01/21	01/01/22	01/01/23	01/01/24	01/01/25	01/01/26	TOTAL
MANUFACTURING	ANALYSTS	0	0	0	0	0	0	0
	Other	0	0	0	0	0	0	0
TECHNICAL	ANALYSTS	0	0	0	0	0	0	0
	Other	0	0	0	0	0	0	0
GENERAL	ANALYSTS	0	0	0	0	0	0	0
	Other	0	0	0	0	0	0	0
OFFICE	ANALYSTS	0	0	0	0	0	0	0
	Other	0	0	0	0	0	0	0
CAPITAL	ANALYSTS	0	0	0	0	0	0	0
	Other	0	0	0	0	0	0	0
INVESTMENT	ANALYSTS	0	0	0	0	0	0	0
	Other	0	0	0	0	0	0	0
TOTAL	ANALYSTS	0	0	0	0	0	0	0
	Other	0	0	0	0	0	0	0



A3 SECOND LEVEL FLOOR PLAN



RTKL

RTKL Associates, Inc.
200 N. First Street, Suite 200
San Francisco, CA 94107
Tel: 415.398.0000
Fax: 415.398.0001
www.rtkl.com

NOT FOR CONSTRUCTION

ARCHITECT
KENNETH RODRIGUES & PARTNERS, INC.
440 N. Townsend Street, Suite 200
Alhambra, CA 91801
909.286.0700



THE GLAZARD PARTNERSHIP INC.
Landscape Architects - Land Planners
600 Montgomery Street
San Francisco, CA 94104
415.423.6072
415.423.6065

DEVCON CONSTRUCTION
8000 Colma Road, Suite 200
Alhambra, CA 91802
408.243.6500

SCALE DATE PROJECT NO.
DATE 45-00000-000

PROJECT TITLE
SUNNYVALE TOWN CENTER
Sunnyvale, California

DEVELOPER

REEF

101 California Road, Suite 200
San Francisco, CA 94111
415.362.7716

SAND HILL PROPERTY COMPANY
400 E. 12th Street
San Jose, CA 95128
408.244.1800

SHEET DRAWING LOG

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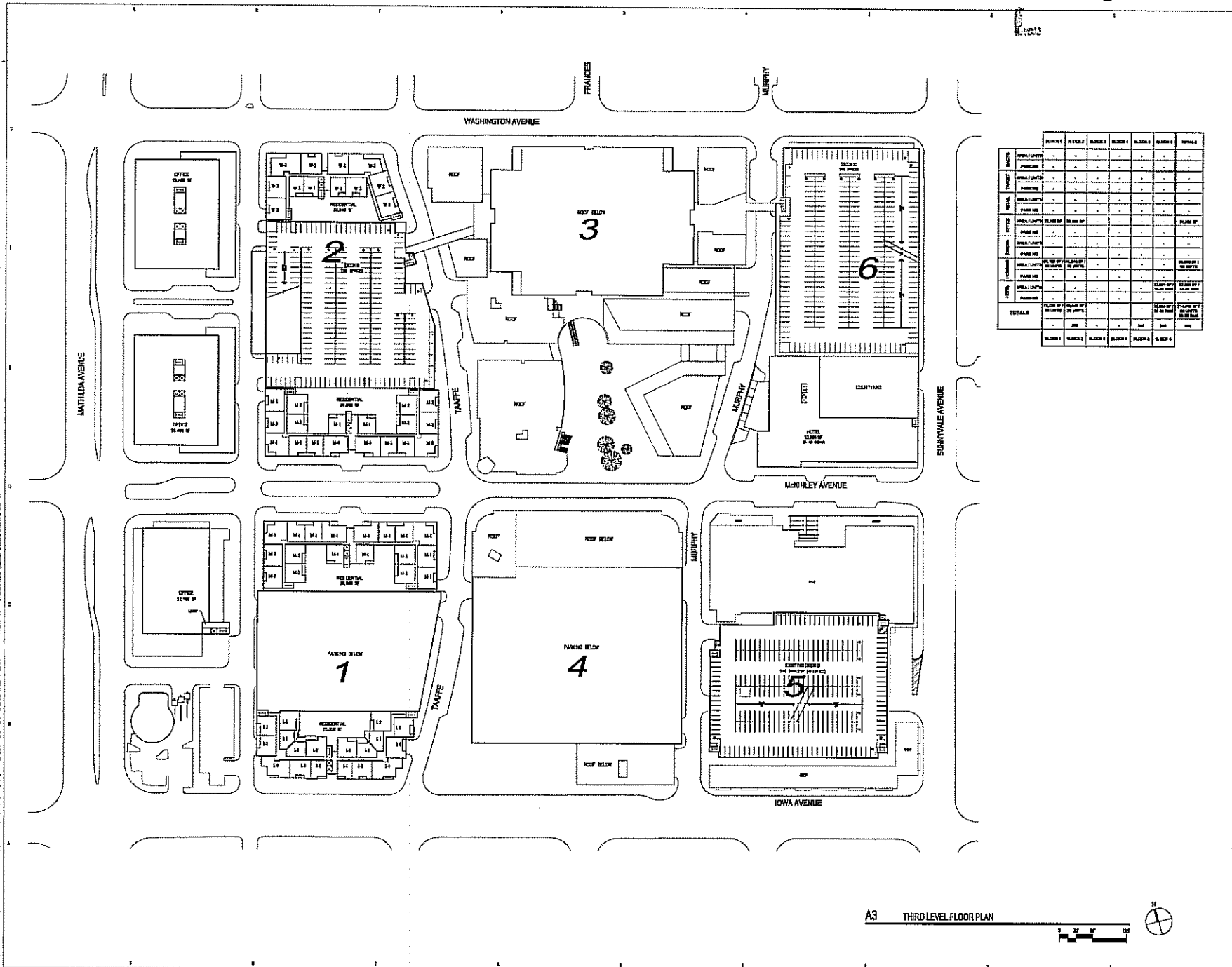
THIRD LEVEL FLOOR PLAN

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SHEET NO.

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UNAPPROVED PRELIMINARY MAP - 040-07
FILE NAME: SUNNYVALE TOWN CENTER\UNAPPROVED PRELIMINARY MAP - 040-07
PROJECT: (040-07) SUNNYVALE TOWN CENTER\UNAPPROVED PRELIMINARY MAP - 040-07
SHEET: 10.04



A3 THIRD LEVEL FLOOR PLAN





RTKL Associates, Inc.
331 S. Hope Street, Suite 1200
Los Angeles, CA 90071
Tel: 213.693.8800
Fax: 213.693.8800
www.rtkl.com

REGISTRATION

PROJECT
**KENNETH RODRIGUES
& PARTNERS, INC.**
448 N. Wynnway Road, Suite 202
Brea, CA 92623
(949) 423-2702



THE GUZZARDO PARTNERSHIP INC.
Landmark Architects Land Planners
626 Montgomery Street
San Francisco, CA 94102
Tel: 415.398.1000
Fax: 415.398.1000

DEVCON CONSTRUCTION
8800 Century City Drive
Van Nuys, CA 91411
(818) 704-1000

PROJECT NO. 44-000001-00

**SUNNYVALE
TOWN
CENTER**
Sunnyvale, California

DEVELOPER
REEP
101 California Street, Suite 2002
San Francisco, CA 94111
(415) 224-7774

**SAND HILL
PROPERTY COMPANY**
480 S. El Camino
Brentwood, CA 94005
(650) 344-1000

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BY RTKL Associates, Inc. 000

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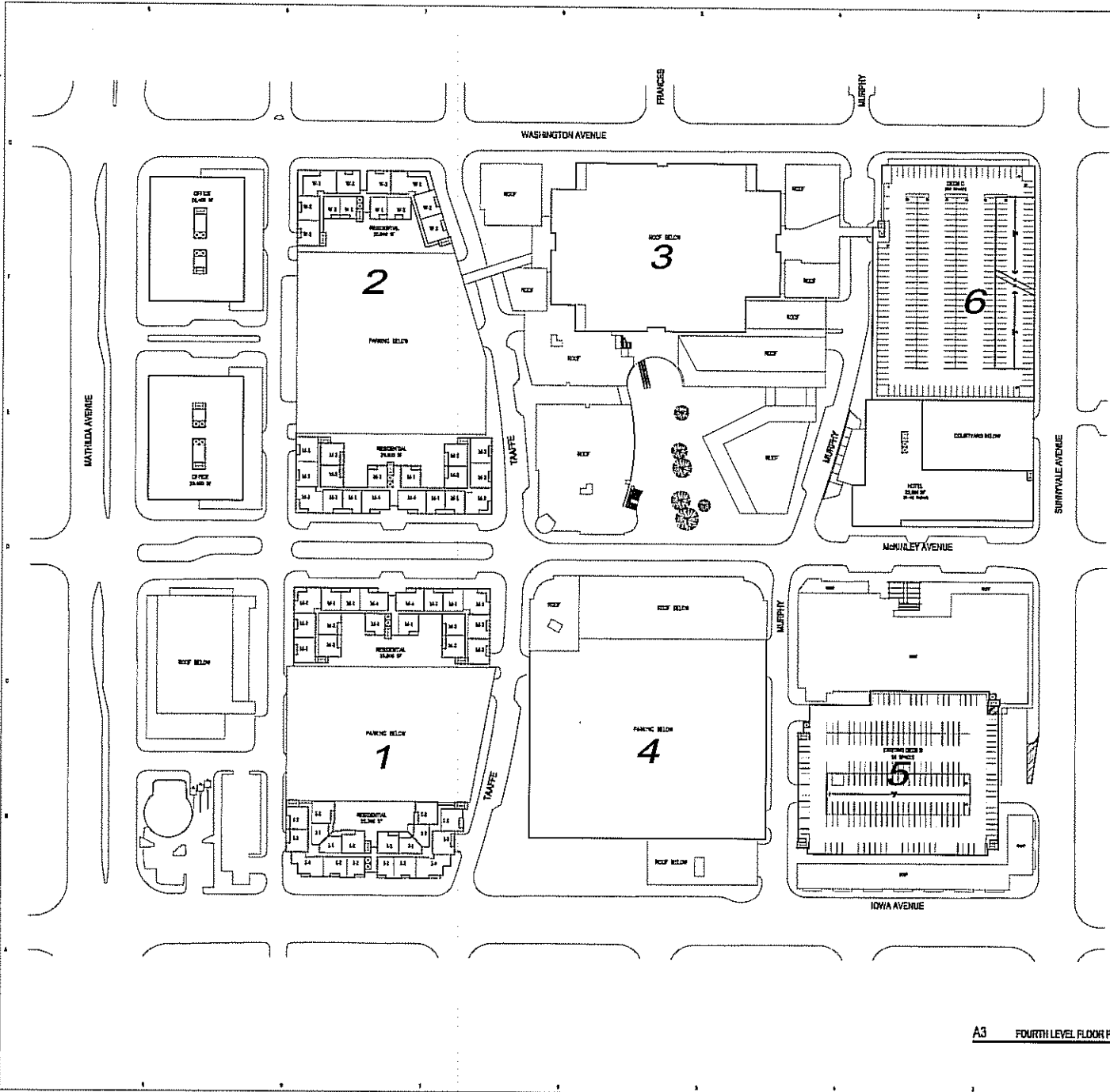
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A3 FOURTH LEVEL FLOOR PLAN



USER: N:\BIDDING\NIP-040-07
FILE NAME: SUNNYVALE TOWN CENTER\NIP-040-07 GENERAL PLAN
ACTION: ARCHITECTURE\GENERAL PLAN



RTKL

RTKL Associates, Inc.
242 S. First Street, Suite 200
San Francisco, CA 94107
Tel: 415 398 0800
Fax: 415 398 0808
www.rtkl.com

ARCHITECT
**KENNETH RODRIGUES
& PARTNERS, INC.**
443 N. Whittier Street, Suite 220
San Francisco, CA 94102
800.345.0700

KTGY GROUP
10001 Wilshire Blvd., Suite 1000
Los Angeles, CA 90024
Tel: 310.206.0000

THE GUZZARDO PARTNERSHIP INC.
Landscape Architects / Land Planners
605 Montgomery Street
San Francisco, CA 94111
Tel: 415 422 4022
Fax: 415 422 4000

DEVCON CONSTRUCTION
8801 Divisadero Drive
San Francisco, CA 94126
415.343.1000

PROJECT NO.
48-000003-00
PROJECT TITLE
**SUNNYVALE
TOWN
CENTER**
Sunnyvale, California

DEVELOPER
RREEF
101 California Street, Suite 2000
San Francisco, CA 94111
415.393.7774

**SAND HILL
PROPERTY COMPANY**
1400 S. El Camino
San Mateo, CA 94402
650.344.1700

PROJECT DRAWING LOG

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**FIFTH LEVEL
FLOOR PLAN**

BY RTKL Associates, Inc. 06/06

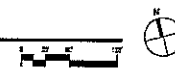
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A3 FIFTH LEVEL FLOOR PLAN



USDA/ANR, DROPOUTS-04-07
P.E. NAME: S. N. 101 SUNNYVALE TOWN CENTER/RTKL/07-23-07 GENERAL P.L.
ATON ARCHITECTURE/07-23-07 GENERAL P.L.

RTKL

RTKL Association, Inc.
 330 S. Lake Street, Suite 2200
 Los Angeles, CA 90071
 Tel: 213.633.8833
 Fax: 213.633.8882
 www.rtkl.com

PROJECT
**KENNETH RODRIGUES
 & PARTNERS, INC.**
 448 N. Whittier Street, Suite 202
 Burbank, CA 91502
 818.338.0702



**THE GUZZARDO
 PARTNERSHIP INC.**
 Landmarks Architects (Land Partner)
 636 Montgomery Street
 San Francisco, CA 94133
 415.398.5822

DEVCON CONSTRUCTION
 382 Cleveland Drive
 Alhambra, CA 91803
 408.642.8300

DATE: 02.08.07 PROJECT NO: 02-00023-06

PROJECT TITLE

**SUNNYVALE
 TOWN
 CENTER**
 Sunnyvale, California

DEVELOPER

REEF
 101 California Street, Suite 3000
 San Francisco, CA 94111
 415.222.7716

**SAND HILL
 PROPERTY COMPANY**
 488 N. El Centro
 San Mateo, CA 94403
 650.344.1000

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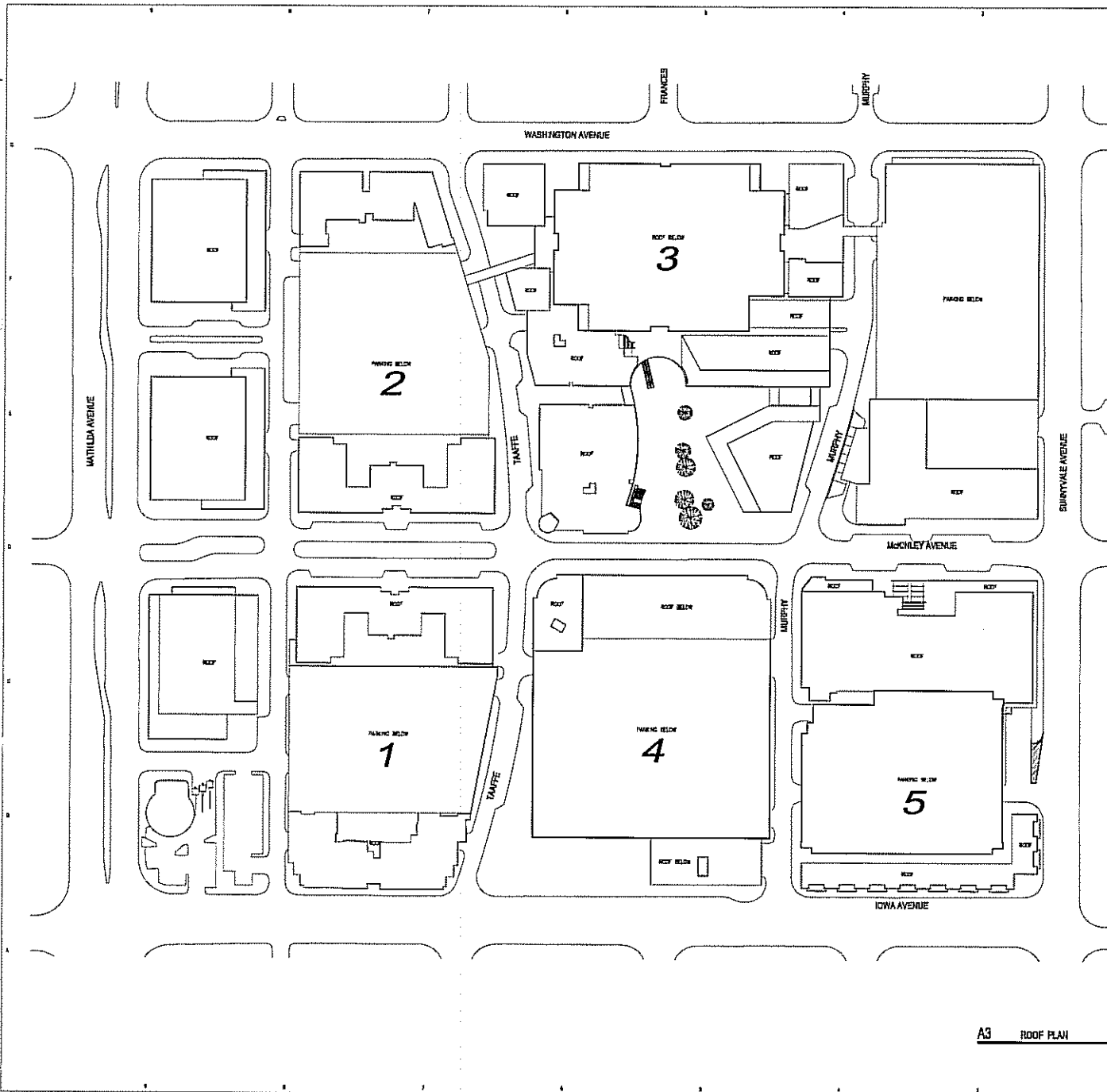
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ROOF PLAN

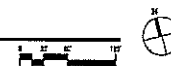
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NOT FOR CONSTRUCTION

LEGEND: HORIZONTAL - 200.07
 CITY MAP: EAST 1ST STREET
 TOWN CENTER/VALE/VALE-23-07 GENERAL P.
 TOWN CENTER/VALE/VALE-23-07 GENERAL P.



A3 ROOF PLAN



PLANNING COMMISSION MINUTES OF APRIL 16, 2007

1. **2007-0227** Sand Hill Property Company [Applicant] Fourth Quarter Properties XLVII (Partnership Common Name: Forum Development Group), Target Corporation, Sun Town Center Properties Corp. (Macy's), and Sunnyvale Redevelopment Agency [Property Owners]. Application for a Specific Plan Amendment and associated text amendments to Title 19 (Zoning) of the Sunnyvale Municipal Code and Downtown Specific Plan (DSP) for the addition of a new hotel with a maximum of 200 rooms and an increase in the maximum amount of allowed office square footage from 282,000 up to 322,000 in DSP Block 18. APN: 209-34-009, 010, 015, 016, 017, 018 and 209-35-001, 005, 007, 010, 011, 012. SL
 - Resolution to Consider an Addendum to the previously certified Program EIR, approve an amendment to the Downtown Specific Plan, and to increase the development potential of Block 18.
 - Introduction of an Ordinance to Amend Title 19.28.050, 19.28.070, and 19.28.100(b) of the Sunnyvale Municipal Code in accordance with the Specific Plan Amendment.

This item was heard as the first public hearing item rather than the second item as shown on the agenda.

Steve Lynch, Senior Planner presented the staff report. He noted that the applicant is asking for an amendment to Block 18 of the DSP (Downtown Specific Plan) for addition of a 200-room hotel and 40,000 square feet of additional office space. He also noted that specific site plan entitlement is not part of this amendment. He noted that the an addendum to the 2003 EIR (Environmental Impact Report) shows no environmental impact.

Comm. Babcock asked staff about page four of twelve in comparison to page seven of twelve. She noted that there appeared to be discrepancies in information provided. Staff clarified the square footage stated in the pages in question.

Mr. Lynch responded that the intent was to show that overall allowable retail is not being changed.

Ms. Ryan noted that the contemplated locations for the offices and hotels could displace retail. She then noted that this decision is to describe the total allowable uses to block 18 of the DSP. She further noted that the specific

locations would be in a separate public hearing with a Special Development Permit.

Comm. Babcock asked if "could be" is the proper term than "will be". Ms. Ryan responded that the uses will not be changing, but the locations and specific square footage may change but the maximum square footage will not. Comm. Babcock noted that 75,000 square feet is substantial.

Comm. Babcock asked staff about the hotel locations on page six of 12 as opposed to the map given in the report.

Mr. Lynch clarified the locations of the hotel and retail use. He also noted that the hotel is currently planned to be on the corner of Murphy and McKinley Avenues. He further explained that specifications of the hotel would come in a later date, as explained by Ms. Ryan.

Comm. Babcock noted that the Downtown Business Association always wanted more retail around Murphy Avenue, but the site plans state that a parking garage is on that location.

Ms. Ryan further stated that tonight's decision is not regarding the specific locations, but just the allowable uses for the square footage available on Block 18.

Comm. Babcock asked why staff is approving a hotel on that location. Ms. Ryan responded that they are just approving a hotel on Block 18, and the specific locations of each type of use will be in separate public hearings. Ms. Ryan further summarized the general process of the Downtown proposal.

Comm. Babcock stated that the focus should be based on what the City needs for downtown, and not if a hotel would be successful downtown.

Mr. Lynch noted that a hotel would not create dead space and it would be useful for downtown patrons. He also noted that a general comment from the Downtown outreach meeting was that a hotel would be useful.

Comm. Babcock asked staff about page eight of ten in Attachment B of the staff report. She noted that the traffic study did not mention the parking availability for the hotel. Mr. Lynch responded that Conditions of Approve for the current Special Development Permit are to confirm that parking standards are met.

Mr. Lynch noted that a final parking analysis has been submitted and is under staff review.

Ms. Ryan noted that the parking analysis would determine the appropriate number of parking spaces required.

Comm. Babcock asked why this application is brought to the Commission in this manner, as a piece of a larger project. She asked why it is not brought to the Commission in one package, where they could get a better understanding of the proposed plans as a whole.

Ms. Ryan responded that applicants are not required to bring a whole proposal at once.

Mr. Lynch further stated that the applicants are working hard to meet deadlines, and that sometimes they need to take these issues to the Commission a step at a time.

Comm. Babcock then stated that it is more confusing to decide on these issues when they are broken in small sections.

Ms. Ryan further stated that, in general, when there is a collection of decisions, this approach might be easier without all the specifics involved. Comm. Babcock asked a few more questions for clarification. Ms. Ryan responded.

Comm. Sulser noted that the site plans on the report are difficult to comprehend, and larger maps should be sent to them in the future. He stated his understanding that they may make recommendations to the Special Development Permit. He asked for clarifications on the type of recommendations and modifications they might make to the DSP and the addendum to the EIR.

Ms. Ryan explained the type of recommendations they may make on tonight's decision, as part of the DSP. She reminded that this amendment is to approve the uses in Block 18, not the specific locations of each type of use within Block 18.

Comm. Simons asked, along with the square footages, if height limits are involved in this amendment. Ms. Ryan responded that they could suggest limits regarding height in the form of a recommendation or an encouragement.

Comm. Simons asked about the fiscal impacts to the City, and the TOT (Transient Occupancy Tax); if the revenue from this tax goes directly in the City's general fund and whether it is used to support the hospitality industry. Ms. Ryan responded yes, and then stated that the tax revenue may or may not be used for the specific reason, which is at the City's discretion.

Comm. Simons asked about the proposed hotel's location in Block 18 of the DSP (Downtown Specific Plan). He noted that Block 1, North of Washington might be an excellent option for a hotel location, as it is closer to the Caltrain station.

Ms. Ryan stated that this amendment is for a hotel on Block 18 and noted that if the Planning Commission did not think it is a good location they could recommend against the application and suggest alternative locations to be studied.

Comm. Simons asked how to maximize retail space on the first level. Ms. Ryan responded that the Planning Commission could make a recommendation for a policy to not reduce retail. She noted that they could make specific recommendations to the upcoming Special Development Permit.

Comm. Simons also inquired about the additional parking to the proposed grocery store. He asked if the plans include underground parking to downtown. Ms. Ryan noted that the DSP did not require any underground parking; however, the Commission could recommend a policy to require underground parking or could suggest it for the upcoming Special Development Permit.

Comm. Sulser asked about the building heights near Bank of the West. Mr. Lynch responded. He also asked about calculating the number of jobs provided from a hotel. Mr. Lynch responded that in general higher end hotels have one employee for eight hotel rooms and that one employee for six hotel rooms was used to evaluate impacts from this proposed hotel.

Comm. Hungerford asked for clarification on the retail uses. He asked if additional square footage for retail is approved, would the density for Block 18 be higher. Ms. Ryan responded that the DSP amendment included additional office use and a hotel, which will be added to other allowable uses. Comm. Hungerford then asked if the allowed retail will drop due to additional offices and a hotel. Ms. Ryan responded no.

Comm. Rowe asked for clarification of the additional uses being higher than stated in the EIR (Environmental Impact Report) for the DSP. Ms. Ryan responded that the allowances for DSP are for all of downtown and not for Block 18 alone.

Comm. Rowe also asked about the height for the mechanical screening. Ms. Ryan noted that specific information for the hotel is not yet determined. Comm. Rowe asked further questions about page nine of 12 of staff's report.

Mr. Lynch responded that all blocks downtown have an existing use. He further stated and discussed examples of hotels in downtown areas.

Chair Klein asked staff for clarification about page seven of Attach B. Mr. Lynch explained the intensities approved in the DSP. He then asked if it's specific to Block 18. Mr. Lynch responded yes, just Block 18, but clarified that the entire downtown is 103 acres, where Block 18 is 35 acres of the 103.

Ms. Ryan noted that the housing studies are for downtown, not just Block 18. Chair Klein also asked about the impacts of page seven in Attachment B. Ms. Ryan noted that 80,000 square feet of office was approved in a July 2004 General Plan/Specific Plan amendment, and that Block 18 had 92 additional housing units approved at the time.

Chair Klein asked about the impact of a hotel. He asked if there were recommendations of other locations besides Block 18. Ms. Ryan noted that this study only included Block 18 only, and not other blocks.

Chair Klein opened the public hearing.

Jeff Warmoth, Applicant, stated his proposal for the Resolution to the DSP. He noted that their interest at the time the original DSP was approved has slightly changed. To address the Commission's concerns of the amendment, he noted that an appropriate way to amend the change was through a GPI (General Plan Initiation), and then a GPA (General Plan Amendment). He noted that a hotel and more office use in downtown Sunnyvale would be in high demand upon the project's completion. He noted that their architect, Kenneth Rodriguez, will describe why the hotel is best where the location is proposed in Block 18. He noted that his clients have a successful hotel in Los Altos and in Cupertino (Hilton Garden Inn). He noted that businesses on Murphy Avenue are excited about the plans for a hotel. He also noted that they have submitted a parking study and their plan for parking exceeds the standards. He noted that parking spaces are at 1.25 spaces for every room.

Mr. Warmoth noted that he himself would not want to build a hotel elsewhere in Sunnyvale, and that the Commission should be pleased to have a hotel developer for downtown. He then mentioned that he was also a Planning Commissioner for 4 years, and understands that difficulty in finding the best location vs. what is offered. Mr. Warmoth also noted that second floor retail is a difficult location.

Ken Rodriguez, Architect, noted that a hotel and more office will significantly up the livelihood of downtown. He stated that numerous successful areas, such as Union Square in San Francisco, Carmel in Monterey, and even Palo Alto all have successful downtowns in which all have hotels. He noted that a

hotel and office use is a big factor in bringing success to downtown Sunnyvale and noted examples based on their extensive eight-month study.

Comm. Simons asked about second floor retail in comparison to ground floor retail that faces the street. Mr. Rodriguez responded with examples that address successful hotel and second floor retail use locations. Comm. Simons asked about the quality of the proposed hotel. He clarified with Mr. Warmoth whether their hotel in Palo Alto and Cupertino (Hilton Garden Inn) are extended stay. Mr. Rodriguez noted that the proposed plans are perfect for the Murphy and McKinley Avenue location. Comm. Simons asked about the floor plate size. Mr. Warmoth responded with and stated the floor plate and the rooms per floor.

Comm. Simons again inquired about the Transient Occupancy Tax. Mr. Warmoth responded that the revenue goes directly to the City's general fund. Comm. Simons stated that he understands that aspect of the tax, but asked how the TOT should be expended once funded. He also asked about placing the hotel in Town Country area instead, since they too will be the applicants for that area's revitalization. Mr. Rodriguez noted there might be plans for more opportunities in that area, but that it is not regarding this amendment.

Comm. Simons asked about the hotel's design. Mr. Warmoth responded that a hotel should look like a hotel. Comm. Simons asked about signage. Mr. Rodriguez responded.

Comm. Rowe noted that citizens are concerned about the office space. She asked if they are reducing retail space in exchange for office space, how it is going to strengthen downtown revenue. Mr. Warmoth explained and could not stress how significant office use contributes to retail success. He noted that location is a big factor to their plans and that this type of mixed use is vital. He further noted that employers prefer to be located in ideal locations to attract employees to want to work for their company.

Mr. Rodriguez noted that they have been studying this for the past eight months, and their study showed that Sunnyvale's demographics are ideal for the South Bay location.

Comm. Rowe and the applicant discussed their other hotel locations in Cupertino and Los Altos are the same types of areas as compared to Sunnyvale.

Comm. Babcock stated that she likes the idea of more hotels Downtown, but she would like to see a higher quality hotel than the Hilton Garden Inn.

Mr. Lynch noted the square footage allowances for each use. Comm. Babcock confirmed that Macy's and Target are included with Mr. Lynch's numbers. Mr. Warmoth noted that the only second floor retail will be next to Macy's.

Comm. Babcock noted that she noticed that many upscale hotels have large circular driveways for valet parking services and a designated area for drop-offs. She asked Mr. Rodriguez and Mr. Warmoth if this hotel would have such a feature. Mr. Warmoth responded that a small drop-off area will be included which has a valet service. Mr. Rodriguez noted that San Jose's Santana Row hotels have small drop-off zones and not circular driveways as these types of designs minimize space.

Comm. Babcock asked about the parking spaces for the hotel. Mr. Warmoth responded that one employee for every four rooms would be provided a parking space in addition to the guest spaces required.

Ms. Ryan noted that parking is not part of tonight's decision; parking is based on a parking analysis of all the specific uses. She noted that this analysis is determined with the Special Development Permit, not for this amendment.

Comm. Babcock asked if the hotel's height would change to accommodate an underground parking garage. Mr. Warmoth noted general parking plans and more detail would be explained with their actual Special Development Permit, which will be submitted in the near future. Mr. Warmoth mentioned that over a thousand work hours were spent on studying parking alone.

Chair Klein asked if the parking structures are designated for different patrons. Mr. Lynch noted that this is a mixed-use project, and that parking will be shared for all uses. He noted that parking standards will be met.

Chair Klein asked the public if there were any questions or concerns.

Arthur Schwartz, member of the public, noted that the office space is not to his liking, although he likes the plans for hotel. He then noted that the sides of the hotel, which faces Sunnyvale Avenue, would look monolithic if windows were not placed correctly. He asked if a swimming pool or an outdoor area is included in the plans. He noted that if they locate it on the second or third floor, such like the Fairmont Hotel in San Jose, then it would not appear to be too high. He noted that he believes a hotel is a good idea, but they should also consider a hotel closer to the Caltrain station.

Mary Stepp, owner of 471 South Frances Street, addressed concern of what is across from their neighborhood. She asked staff if the Cherry Orchard parking study would be used, as the parking in that area is not ideal. She

noted that hotels owned by the developers are not located in downtown areas. She also noted that a hotel in the Town and Country block would be more appropriate than Block 18.

Ms. Ryan noted that the City's parking requirements were used for the Cherry Orchard parking lot and that an extensive mixed-parking analysis will be conducted for Block 18. She noted that Cherry Orchard was based on single story retail, and that due to its success, parking is somewhat scarce during peak hours. She noted that more information will be provided after a parking analysis is conducted, which will be a part of the applicant's Special Development Permit requirement.

Mr. Warmoth noted that a mix of all these uses should be at the correct locations to make it a great place to live, work, and shop for Sunnyvale residents and for its visitors.

Comm. Simons noted that parking structure D located on Block 5 is awful. Mr. Warmoth responded they might upgrade the garage and fix the elevators.

Comm. Rowe asked if there is anything in the resolution that establishes the specific location of the hotel. Staff responded no.

Ms. Berry, discussed detail needed for environmental documents are scarce. She described the purpose for an EIR (Environmental Impact Report). She noted section six, Attachment B of the addendum to the EIR describes the analysis for a hotel and office use are similar.

Comm. Babcock asked staff about the retail reduction to add office. She asked if retail was so successful, then could the office use be converted to retail in the future. Ms. Ryan responded that it may be accomplished, and it may be possible to convert the uses to retail. She noted that the maximum of a million square feet of retail has been approved for Block 18, where under a million is what is approved at this time.

Comm. Babcock asked why they have to decide to approve the number of rooms in the hotel as opposed to the square footage for the hotel. Ms. Ryan responded that traffic impacts were a big factor the Planning Commission can make recommendations on appropriate heights, setbacks and open space.

Ms. Ryan noted that the uses of taxes are not part of the Planning Commission's charge. Ms. Barry noted that specific recommendations might not be a good idea.

Comm. Simons noted that for seven years, the special taxes and fees that residents pay did not go toward the specific reason of the tax. He noted, that

based on the staff report, hotel stock in Sunnyvale is decreasing, and such a recommendation is needed to be brought to attention.

Comm. Babcock seconded the motion, but asked Comm. Simons to add height limits and retentions of ground floor retail. Comm. Simons noted that he is comfortable with such a limit, in addition to not reducing retail on the first floor level.

Comm. Rowe suggested a setback requirement for the hotel in order to reduce the appearance of height. Comm. Simons agreed. Comm. Babcock noted that she is hesitant on that recommendation because the adjacent properties are business and not residential. Comm. Simons reworded Comm. Rowe's recommendation to require architectural review of the hotel.

Ms. Ryan confirmed that this would be a form of a recommendation only, and not a requirement.

Comm. Babcock noted that this whole downtown is for the whole City, and not just for the employees of Sunnyvale.

Comm. Rowe noted that she remembered the past reports of the previous downtown plans, which included a hotel, and she heard public comments for the hotel. She mentioned that the public educated her on the need of a hotel. She noted to the applicant that she would leave it to the applicant's good judgment to make these plans work for the whole goodness of the Sunnyvale citizens.

Comm. Sulser noted that he will support the motion because he understands that office space is a vital factor in a successful mixed use environment.

Chair Klein noted that he approves this motion with reservations, but thinks that it is difficult to decide on parts of a project as opposed to the whole project.

ACTION: Comm. Simons made a motion on 2007-0227 to approve the amendment to the allowable office square footage and to allow a hotel and to recommend the following:

1. Include the new uses in the Transportation Demand Management (TDM) program for the project.
 2. Consider designing the new office signage on Mathilda Avenue as useful/interesting signage.
 3. In the future, if the City adopts a new program where TOT revenues (in whole or part) are applied to a citywide hotel marketing program, the Town Center hotel owner will be a member and participate in the hospitality association who oversees and distributes these TOT revenues.
 4. There should be no further increase in height of buildings in the Town Center project.
 5. There should not be an overall reduction in retail square footage on the ground floor for the Town Center project relative to the 2007 approved plans.
 6. The setbacks for the Sunnyvale Avenue side of the hotel should be reviewed for compatibility with adjacent uses across Sunnyvale Avenue.
- Comm. Babcock seconded. Motion carried 6-0, Comm. Ghaffary absent.

APPEAL OPTIONS: This item is scheduled to be heard by the City Council at the May 1, 2007 City Council meeting.